

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **April 26, 2005 Work Session**

AGENDA ITEM NO.: 1

CONSENT:

REGULAR: **X**

CLOSED SESSION:
(Confidential)

ACTION:

INFORMATION: **X**

ITEM TITLE: **2005-2010 Community Development Block Grant (CDBG) Consolidated Plan**

RECOMMENDATION: Review of the draft 2005-2010 Community Development Block Grant (CDBG) Consolidated Plan.

SUMMARY: In January 2005, City Council approved housing and non-housing goals for the preparation of the Department of Housing and Urban Development (HUD) Consolidated Plan for the period of July 1, 2005 through June 30, 2010. The City is required, as a participating jurisdiction (PJ), to submit this Plan for the receipt of Community Development Block Grant (CDBG) and HOME Program funds. The Plan will guide the City for the next five years, through the CDBG and HOME Program annual allocation of funds and monitoring. This Plan reflects how the City is striving to meet the housing and non-housing needs of the low and low-to-moderate income persons.

Based on the goals for the Plan, a draft has been prepared and consists of the following:

1. Executive Summary and Introduction – A description of the purpose of the Plan, approved goals, demographic data, objectives for meeting the housing and non-housing goals, and a list of the projects for the first year of the Plan.
2. Planning Process – This section is comprised of the citizen participation information in the development of the Plan.
3. Identified Needs and Market Analysis – This section consists of:
 - a. an analysis of the housing opportunities available in the targeted census tracts and other services that serve the people of these tracts;
 - b. needs for housing, public housing, and homeless and special needs population, lead-based paint and fair housing; and
 - c. housing and non-housing goals for housing and community development.
4. Housing and Community Development Strategic Plan – The goals identified by Council form the housing priorities for this Plan and guide the direction of City funds and other available resources. This section includes the priorities and strategies to reach them.
5. Coordination – This section consists of activities that the City is doing or plans to do to enhance the coordination between the public and private sectors as each addresses the needs of low and low-to-moderate income citizens.
6. Action Plan – This section is comprised of the required Action Plan components and the CDBG and HOME projects that will be initiated in the first year of the Plan to begin addressing the identified needs and objectives.

This Plan requires the approval of City Council for submittal to HUD. This Plan will be scheduled for approval by Council at the May 10 meeting.

PRIOR ACTION(S): N/A

FISCAL IMPACT: N/A

CONTACT(S): Rachel Flynn – 455-3902
Melva Walker – 455-3916

ATTACHMENT(S): 2005-2010 Consolidated Plan (DRAFT)

REVIEWED BY: lkp

Executive Summary

The City of Lynchburg, as an entitlement jurisdiction through the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG) and HOME programs, is submitting its Consolidated Plan, for the years 2005-2010, as required by HUD. This Plan was developed through a collaborative process whereby City residents and representatives of community organizations and agencies provided input on identifying the needs that the Plan will address and identified strategies for improving conditions in the target areas. These colleagues will also be involved in the implementation of the Plan.

The staff of the Community Development Division of the City's Department of Community Planning and Development prepared the Plan. To ensure full participation by interested persons and groups, staff met with, and provided informational material about the Plan and the proposed process to, representatives from these community organizations. Following the approved Citizen Participation Plan, input was solicited through a published notice in the Lynchburg local newspaper, The News and Advance, on December 1, 2004, and through written invitation to various organizations, non-profit groups, government agencies and churches. CDBG and HOME funding requests for Fiscal Year (FY) 2005-2006 were solicited concurrently with the public comments for the Plan. This process allowed the goals of the Plan to be used to direct priorities for upcoming fund distribution. The public hearing was held on December 14, 2004 at a regularly scheduled City Council meeting.

On January 11, 2005, City Council approved the goals for housing and non-housing development, which constitute the priority needs stated in the Plan. These goals reflect the needs that historically have been the needs of the very low-, low-, and moderate-income persons living within the target census tracts. The goals are to:

- Provide priority assistance to programs designed to create new home ownership opportunities available to low- and moderate-income buyers.
- Increase the number of owner-occupied units through support of public and private homebuyer programs. Emphasis is to be placed on programs, which require an investment of funds and/or labor on the part of the buyer, which are commensurate with the buyer's resources.
- Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs, which require an investment of funds and/or labor on the part of the owner, which are commensurate with the owner's resources. In addition, maintenance of homes will be enforced through applicable ordinances and building code requirements, and through owner initiatives to rehabilitate existing rental properties.
- Support initiatives to increase permanent affordable housing opportunities for low-income households and Special Needs Populations and encourage regional cooperation of this goal throughout the Region 2000 area.

- Support the Healthy Neighborhoods Initiative by improving housing stock.
- Support economic development efforts, which will expand job opportunities and support job retention for low- and moderate-income individuals. Continue to take actions, which stimulate private, as well as public investment in designated enterprise zones.
- Eliminate neighborhood deterioration, blight and blighting influences through staged redevelopment of public infrastructure, rehabilitation activities, code enforcement, or clearance where needed.
- Support the organized efforts of neighborhood associations that seek to leverage their resources to improve infrastructure, amenities, and services.
- Support park and recreation improvements in relation to community need, particularly for low- to moderate-income persons or neighborhoods.
- Encourage the preservation of properties of special value for historic, architectural, or aesthetic reasons.

Support public service providers in meeting the service needs for low- and moderate-income individuals and Special Needs Populations.

The City of Lynchburg's Consolidated Plan focuses on the geographic area in which the greatest indicators of distress exist. These are the central city neighborhoods that surround the downtown business district and are the seven contiguous census tracts that comprise the CDBG target area: Census Tracts 4, 5, 6, 7, 11, 12, and 13. Population demographics and surveys of these neighborhoods show that they have the highest degree of housing need and are where many of the City's very low- and low-moderate-income persons reside.

The area median family income (AMFI) in 2000 in Lynchburg was \$32,234. Residents of the target area earned incomes at or below 60 percent of the AMFI. The predominant race in the target area is African-American. There is a high incidence of rental units in these tracts. Indications of housing cost-burdens, overcrowding, substandard conditions and the presence of boarded/vacant units predominate in these neighborhoods.

Although there are many public and private resources assisting residents of these neighborhoods in meeting their housing and community development needs, the goals of City Council are far from achieved. Current market conditions and available resources are documented in the Plan and the service and housing providers identified, many of whom receive funds from the CDBG and HOME programs. The Plan lays out specific objectives that are designed to reach the goals and that provide quantifiable benchmarks for review during the subsequent yearly process of the Action Plan.

An overriding objective stated in the Plan is to maximize existing partnerships between the private and public sector so that City funds will continue to be leveraged with outside resources. It is through such collaborative efforts that the

citizens of Lynchburg can address housing and non-housing needs where they are felt the greatest. Other objectives include:

- 1) setting an optimum balance in neighborhoods where 70 percent are owner-occupants;
- 2) placing a priority on helping existing owners maintain their homes;
- 3) coordinating services with housing, especially for persons with special needs;
- 4) preserving existing housing by identifying appropriate present uses for structures and by applying available resources, such as tax credits, for low-income and for historic renovation;
- 5) continuing the rental inspection program; and
- 6) coordinating the City's downtown revitalization efforts with housing improvement efforts in the target area.

For the initial year of the Plan, the City will receive \$1,035,491 in CDBG entitlement funds and \$447,294 in HOME program funds. Along with these funds reprogrammed funds and program income (\$316,717) the following projects will be implemented:

Program Administration	\$55,600
Fifth Street Master Plan & Façade Improvement Program	75,000
Inmate Labor Program	35,324
Direct Costs/Admin. (LRHA)	143,303
YWCA Town Center Renovations	50,000
The Western Hotel/Joseph Nichols Tavern	29,500
Housing Improvement Program	201,233
Daniel's Hill Acquisition	88,668
Spot Blight Abatement/Acquisition	64,220
Tinbridge Hill Acquisition	73,190
Rental Rehabilitation Program	100,000
Christmas in April Rehabilitation Project	50,000
Lead Safe Housing Rehabilitation	60,000
Maintenance of Acquired Properties	38,470
Virginia University-Roof Replacement	20,000
Lynch's Landing Façade Imp. Program	20,000

Legacy Project Rehabilitation	30,000
R. S. Payne Elementary School Playground Improvements	43,700
The Gateway	22,500
YWCA Domestic Violence Prevention Ctr.	22,500
Rush Homes of Central Virginia	6,500
Dance Theatre Programs	10,000
Enhancing Special Needs Housing Opportunities	20,000
Camp Kum-Ba-Yah Scholarship Assistance	20,000
Amazement Square Sponsored Admissions & Inside-Out Outreach Programs	6,526
White Rock Hill After School Program	13,000
College Hill Neigh. School	12,974
Job Readiness Training	15,000
Emergency Fuel Assistance for Elderly	6,000
Lynchburg Literacy Council	2,000
Athletic Mentorship & Behavior Modification Program	17,000
HOME Administration	44,729
Lynchburg Homeownership	120,000
First Time Homebuyer Program-CHDO	67,565
Substantial Rehabilitation Program	105,000
Development for Homeownership Opportunity	40,000
The Cornerstone	15,000
Central City Homes	55,000
Total	\$1,799,502

The City of Lynchburg realizes that it cannot meet all the housing and community development needs contained with this Plan. The responsibilities for these efforts must be shared among all facets of the community. The City will make

every effort to direct federal, state, and other funds for community development and housing into projects and activities that will best achieve the goals of the Plan.

For more information or to submit comments regarding this Consolidated Plan, please contact Melva C. Walker, Administrative and Grants Manager at (434) 455-3916; 900 Church Street, Lynchburg, VA 24504; or Email at: melva.walker@lynchburgva.gov

I. INTRODUCTION

Lynchburg

The City of Lynchburg, as an entitlement jurisdiction in the Community Development Block Grant and HOME programs, is required by the U. S. Department of Housing and Urban Development (HUD) to submit a consolidated plan every five years. The Consolidated Plan is a mandated document for receipt of Federal funds and is designed to be a collaborative process whereby the community establishes a unified vision for community development actions. It offers local jurisdictions the opportunity to shape the various housing and community development programs into effective, coordinated neighborhood and community development strategies. It also creates the opportunity for strategic planning and citizen participation to take place in a comprehensive context while reducing duplication of effort.

The Consolidated Plan defines a specific course of action for revitalization. It is the means to analyze the full local context and the linkages to the larger region. It builds on local assets and coordinates a response to the needs of the community. It integrates economic, physical, environmental, community and human development in a comprehensive and coordinated fashion so that families and communities can work together and thrive. A strategic plan also sets forth program goals, specific objectives, annual goals, and benchmarks for measuring progress. In so doing, it helps local governments and citizens keep track of results and learn what works in a community.

The Federal regulations set forth three basic goals against which HUD will evaluate the plan and the jurisdiction's performance under the plan. Each jurisdiction's plan must state how it will pursue these goals for all community development programs, as well as all housing programs. These statutory program goals are as follows:

- **Housing** - The housing programs are to provide decent housing which includes: assisting homeless persons in obtaining affordable housing; retaining affordable housing; increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families without discrimination; increasing the supply of supportive housing which includes structural features and services to enable persons with special needs to live in dignity and independence; and providing affordable housing that is accessible to job opportunities.
- **Community Development** - The community development programs are to provide a suitable living environment. This goal includes: improving the safety and livability of neighborhoods; increasing access to quality public and private facilities and services; reducing the isolation of income groups within areas by deconcentrating housing opportunities and revitalizing deteriorating neighborhoods; restoring and preserving properties of special historic, architectural, or aesthetic value; and conserving energy resources.
- **Economic Development** - The economic development programs are to expand economic opportunities. Within this goal are: job creation and retention; stabilization and expansion of small businesses (including micro businesses); the provision of public services concerned with employment; the provision of jobs to low-income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan; providing access to credit for community development that promotes long-term economic and social viability; and empowering low- and moderate-income persons in federally assisted housing and public housing to achieve self-sufficiency.

Community Profile

Lynchburg is a city of 50 square miles and a Metropolitan Statistical Area (MSA) of 1,802 square miles. It is located near the geographic center of the state, bordered by the eastern edge of the beautiful Blue Ridge Mountains. It is located approximately 180 miles southwest of the nation's capital, Washington, D.C. Amherst, Campbell, and Bedford Counties border it and the City is the urban center of the Central Virginia Planning District. The community was founded in 1786 and has a rich history of civic pride, philanthropy, and development.

An active community boasting friendly residential neighborhoods, Lynchburg has a tradition of outstanding public education. Lynchburg operates one of the top school systems in the state and is recognized for its unique Partners in Education program that partners the business and government sector with the schools. The city is also home to five public/private colleges and universities.

A city with outstanding cultural, educational, and recreation opportunities, Lynchburg operates 12 parks, 24 playgrounds, eight community centers, an Olympic-size pool, 34 tennis courts, and 26 baseball diamonds. Other opportunities include hiking in the Blue Ridge Mountains or on the Appalachian Trail; swimming and boating on Smith Mountain Lake, one of the country's largest man-made bodies of water; skiing at nearby Wintergreen Resort; or taking in a minor-league baseball game at the city-owned stadium.

The economy in Lynchburg was for many years dependant on manufacturing industries, but the trend has moved to a broadly diversified manufacturing and service center including high-tech communications equipment, materials handling machinery, integrated products, paperboard, rubber products, and iron pipe castings. The two major employers, Genworth Financial and CentraHealth, provide financial and health services, respectively.

The City is aggressively supporting redevelopment and revitalization of its downtown area making the infrastructure, physical improvements, economic incentives, and activities accessible for all citizens. Plans include further improvements to the Riverfront Park, restoration of the Academy of Music Theater (c.1905), a major 67-loft apartment and retail project, and the completion of the BluffWalk Center, an Economic Development Initiative (EDI) and Section 108 loan project that will provide a hotel, conference center, and restaurants. All of these items will allow all citizens, but particularly low and low-moderate income persons, opportunities to have access to new jobs, social services, recreational, and cultural activities.

Demographic Summary

According to the 2000 Census, the population in Lynchburg is 65,269 and the MSA is 223,317. White citizens account for 66.6 percent of the City's population, African-American citizens account for 29.7 percent, and the remaining 1.5 percent is made up of two or more races. The Hispanic/Latino population is at 1.3%. The median household income is \$32,234 and the number of persons below poverty is 16.4 percent of the population. The current unemployment rate is 3.5 percent. Note: This Plan references the White and Nonwhite populations.

Minorities in Lynchburg tend to be concentrated in the older portion of the City that is identified as Census Tracts 4, 5, 6, 7, 11, 12, and 13. Minority concentration is defined as a census tract with a minority population of greater than 40 percent. This area, with the addition of Census Tract 14, corresponds to the area where a majority of persons are low- and moderate-income as defined by HUD.

II. PLANNING PROCESS

A. CITIZEN PARTICIPATION

1. Collaboration and Partnership – Consultation Process

The Community Development Division of the Department of Community Planning and Development has served as the lead agency in the preparation of this Consolidated Plan. The plan furthers the statutory goals through a collaborative process and establishes a unified vision for community development actions. It is designed to reflect the needs, goals, and strategies identified through the direct participation of citizens, public and private service providers, and elected officials. A recurring theme throughout this Plan is one of shared responsibility. Although the development of this Plan is centered around the City's participation in federal grant programs, it is obvious that the resources provided through these programs, and indeed all government programs, are insufficient to address the community development needs of this City. It will require the combined resources of every segment of our community to make meaningful progress in addressing our needs. The initiative, resourcefulness, and effort that are expected of the individual citizen are at least equal to that of public and private agencies.

To ensure the participation of public agencies, private agencies and affected citizens, the Community Development Division staff sent informational material and written communication (see Appendix A) to community organizations for preliminary discussions on the plan and the needs of the citizens of Lynchburg. Some of the agencies contacted included: Lynchburg Neighborhood Development Foundation, Lynchburg Redevelopment and Housing Authority, Lynchburg Health Department, Central Virginia Community Services Agency, Miriam's House (the Housing and Homeless Coalition), Office of Economic Development, the Lynchburg Community Action Group, and the Code Enforcement Task Force.

2. Public Comment

CDBG and HOME Action Plan program funding requests for Year 2005-2006 were solicited concurrently with the public comments for the Consolidated Plan.

a. Consolidated Plan

Public comment on the housing and non-housing community development needs was solicited via a retail display advertisement published in the local newspaper, The News and Advance, on November 30, 2004. The advertisement invited interested parties to a public hearing on December 14, 2004. The option was given to submit written comments at any time up to and including the public hearing. In addition, written invitations were issued to various neighborhood organizations, non-profit groups, government agencies, and churches.

A public notice was published via a retail display advertisement in The News and Advance on Wednesday, December 1, 2004 indicating that City Council would conduct a public hearing on Tuesday, December 14, 2004 to accept public comments regarding the proposed housing and non-housing goals for the Consolidated Plan.

A written notification was mailed to the Homeless and Housing Coalition regarding the public comment period. This information was included on the agenda and presented at the Tuesday, December 7, 2004 Coalition meeting. This organization's agencies prepare and submit, on behalf of the City of Lynchburg, the Continuum of Care which is a part of the Consolidated Plan.

Five non-profit organizations chose to comment in writing prior to the public hearing: Rush Homes, Diamond Hill Neighborhood Watch Association, Big Brothers Big Sisters of Central Virginia, Lynchburg Neighborhood Development Foundation, and Lynchburg Grows. These agencies noted support for youth mentoring services, rehabilitation of owner-occupied housing units, economic development, affordable, accessible housing for people with disabilities, and directing CDBG and HOME funds to a geographic area (i.e. individual neighborhoods within the CDBG-targeted neighborhoods). One individual submitted written comments regarding rental housing for low income persons and educational needs in Lynchburg. Sharon Swedlow, Welfare Reform Coordinator, for the Division of Social Services also submitted comments regarding revitalization of neighborhoods and collaboration of housing agencies to provide information regarding resources for City services. She also expressed concern for childcare needs and transportation services for low-income individuals.

At the public hearing, five individuals or group representatives took the opportunity to speak. A summary of those individuals who spoke at the public hearing is as follows:

1. Barbara Salisbury, 5028 Wedgewood Road, submitted written comment to City Council and spoke regarding regional transportation needs for people with disabilities and American with Disabilities (ADA) training for architectural design of buildings and pedestrian access.
2. Laura Dupuy, Executive Director of the Lynchburg Neighborhood Development Foundation, submitted written comments to City Council and spoke suggesting that a new approach be considered that would direct a portion of the entitlement funds into a targeted geographic area. She provided written information to Council regarding the "Neighborhoods in Bloom Program" in Richmond, Virginia. She stated that consideration of this approach would achieve positive change in our low-income and blighted neighborhoods.
3. Kathy Joseph, 3336 Dorchester Court, a member of the board for Rush Homes, spoke in favor of expanding additional rental housing opportunities and accessibility accommodations for persons with disabilities.
4. Rob Jarvis, 2906 Memorial Avenue, provided written comments from the Lynchburg Area Center for Independent Living, and spoke regarding housing and service needs for persons with disabilities. He also addressed the need to rehabilitate homes to include accessibility needs to allow those persons to remain independent and productive in the community.
5. Jeff Smith, 1824 Clayton Avenue, and an employee of Rush Homes spoke regarding the needs of persons with disabilities. He stated that he would like to see a database developed that would include housing availability for disabled persons.

This public hearing and written communications fulfilled the requirement to consult with affected agencies.

On January 11, 2005 City Council approved the housing and non-housing goals for the City of Lynchburg to be used as a component of the Consolidated Plan.

On April 9, 2005 public notice was published in The News and Advance stating that a draft of the proposed Consolidated Plan was available for public review. (See Appendix "A")

On April 26, 2005 at the City Council work session the draft Consolidated Plan was reviewed and discussed. Council's comments were incorporated into the final Plan.

On May 10, 2005 at the regular City Council meeting the final Consolidated Plan and Annual Action Plan was approved.

b. Annual Action Plan

The Community Development Division ensured that the Community Development Advisory Committee and City Council were kept advised of the annual consolidated planning process. In accordance with the City's adopted Citizen Participation Plan a public hearing was held on March 8, 2005 to obtain citizen comment during the Plan development. A public notice advertisement was placed in the local newspaper advising the public of this hearing.

Prior to this public hearing a notice was published in the local newspaper, The News and Advance, on December 15, 2004 indicating the acceptance of applications for the CDBG and HOME Programs by the Community Development Advisory Committee. This advertisement indicated the expected amount of funding and the primary objectives of the Programs. It also stated the proposed local priorities that City Council would be considering in conjunction with the proposed Consolidated Plan for the period of 2005-2010. The public was invited to comment on the applications at the above-referenced public hearing on March 8th.

The Community Development Advisory Committee met on February 9, 2005 to review and discuss the applications received for CDBG and HOME projects for the program year 2005-2006. This Committee consisted of five targeted neighborhood citizen representatives and two City Council members. A consensus was reached and the project recommendations were compiled for forwarding to City Council for the public hearing scheduled on March 8, 2005.

At the public hearing on March 8, 2005 eighteen (18) individuals spoke in support of the following projects: the Dance Program at The Dance Theatre of Lynchburg; Scholarship Program, at Camp Kum-Ba-Yah; Athletic Mentorship and Behavior Modification Program at Dominion Sports Program; Supportive Services for Miriam's House; Literacy Program for College Hill Neighborhood School; R. S. Payne School Playground Improvements; Literacy Program at Lynchburg Literacy Council; Supportive Services at The Gateway; YWCA Domestic Violence Prevention Center and YWCA Town Center Restoration; After School Program at White Rock Hill Community Education Center; Emergency Fuel Assistance for Elderly at Interfaith Outreach; Job Readiness Training at New Land Jobs; Rehabilitation of The Western Hotel/Joseph Nichols Tavern (Lynchburg Covenant Fellowship); Supportive Services Program at Rush Homes; and a representative from Lynchburg Neighborhood Development Foundation on behalf of all of the HOME Program applicants.

On March 22 the recommendations of the Community Development Advisory Committee (CDAC) was discussed at a City Council work session. The Council representatives on the CDAC presented this matter. After a brief discussion it was a full consensus to support the recommendations of the Advisory Committee.

Following the work session on March 22, 2005, City Council adopted on April 12, 2005 the final 2005-2006 funding allocations for Community Development Block Grant (CDBG) and HOME Programs.

On April 14, 2005 a public notice was published in The News and Advance stating that a draft of the proposed Annual Action Plan was available for public review. The advertisement for the action plan included the projects approved by City Council at its April 12, 2005 meeting along with the projects from previous years that were being reprogrammed into the 2005-2006 Annual Action Plan projects. (See Appendix "A")

On April 26, 2005 at the City Council work session the draft Annual Action Plan was reviewed and discussed. Council's comments were incorporated into the final Plan.

On May 10, 2005 at the regular City Council meeting the final Consolidated Plan and Annual Action Plan was approved.

Appendix A includes supporting documentation and public notice advertisements for public participation requirements.

3. Technical Assistance

The Community Development staff offers technical assistance to all non-profit organizations and group representatives of persons of low- and moderate-income to develop proposals seeking federal funds to provide affordable housing, public improvements, economic opportunities, historic preservation, neighborhood redevelopment, park and recreation improvements, and supportive services. The availability of this assistance is included on the annual application forms that are provided to all eligible participants. Additional technical assistance is provided by department staff through coordination of efforts between the Planning, Inspections, Neighborhood Services and Zoning, and Community Development Divisions. Assistance is provided regarding development issues, Enterprise Zone incentives, zoning issues, and downtown redevelopment.

In addition, the department is in the process of adding an additional staff person who will interact with the neighborhood associations and nonprofits. This person will develop and oversee public policies related to neighborhood redevelopment and affordable housing. This will enhance the collaboration with organizations that receive CDBG and HOME Program funds.

B. Institutional Structure - Partnerships and Ongoing Opportunities

The City's Department of Community Planning and Development is responsible for carrying out the provisions of this plan. Working in conjunction with its public and private partners, City staff distributes, monitors, and executes the functions of the plan and reports on its progress. Coordination with other departments within City administration is essential to smooth delivery of services, and the achievement of desired outcomes.

Primarily, the City's strategies will be conducted in the various partnerships the City enjoys with the public and private housing developers and service providers operating in the City and in the region. These include public partners, such as the Lynchburg Neighborhood Development Foundation (LNDF), Lynchburg Redevelopment and Housing Authority (LRHA), and several private non-profits such as Lynchburg Community Action Group (Lyn-CAG), and Miriam's House. These and others work separately and collectively, along with City staff, on projects that achieve the goals stated by City Council.

The following non-profit organizations are currently receiving financial assistance from the City of Lynchburg in order to carry out housing/community development projects: LNDF administers and develops affordable housing programs designed to increase homeownership throughout the region to restore historic homes in the center city and to provide new and improved rental housing in Lynchburg. Lyn-CAG specializes in minor to moderate rehabilitation of low-income, owner-occupied housing, including weatherization, emergency repair, retrofit for the disabled, and indoor plumbing/rehab and also provides a homeless shelter, other forms of emergency assistance, and acquires vacant substandard houses for substantial rehabilitation and sale to

low- and moderate-income buyers; Habitat for Humanity specializes in the construction of new owner-occupied housing for low- to moderate-income families; the Lynchburg Historical Foundation (LHF) provides funds to low-to-moderate-income homeowners with materials to rehabilitate/restore historic homes; and the YWCA Family Violence Prevention and Miriam's House and Gateway Programs provide emergency shelter and transitional housing for men, women and children who are victims of domestic violence, homelessness and substance abuse.

There are many organizations involved in non-housing community development. These organizations include public agencies, churches, United Way agencies, community service groups, neighborhood associations, non-profit and for-profit corporations, and private citizens. We view this as strength to build on as our community continues to develop.

With the variety of organizations involved, we attempt to close any observable gaps in needed services. However, it is apparent that gaps exist and, through the Homeless and Housing Coalition of Central Virginia, the City has engaged in the steps needed to identify and analyze these gaps, as stated in the Continuum of Care.

This Consolidated Plan covers the five-year period July 1, 2005 through June 30, 2010. Federal funds expected to be received over the five-year period are estimated at \$1.4 million per year contingent upon congressional appropriations. The City makes an effort to leverage federal, state, and other funding for community development projects. Some of the projects planned for the coming years will be undertaken on public property including the redevelopment of the Downtown, Riverfront, Fifth Street Corridor and Mid-town Area of the City. The City and Lynchburg Redevelopment and Housing Authority will continue to donate land to non-profit organizations for the purposes of constructing or rehabilitating housing. Other projects which will encourage cultural education and activities for adults and children, particularly the low and low-to-moderate income persons, include Amazeement Square Children's' Museum, Dance Theatre of Lynchburg, and the Legacy Museum for African American History. The Academy of Fine Arts and Renaissance Theatre will provide theatrical entertainment in the downtown for the general public.

III. IDENTIFIED NEEDS AND MARKET ANALYSIS

A. Housing Needs

1. Target Market

The following analysis is confined to the housing opportunities available in the identified census tracts and other nearby services that serve the people of these communities.

The City of Lynchburg's Consolidated Plan draws attention to the housing needs and services in seven contiguous census tracts that comprise the Community Development Block Grant (CDBG) targeted area: Census Tracts 4, 5, 6, 7, 11, 12, and 13. This area comprises the central city neighborhoods of Lynchburg that surround the downtown business district. Demographics and surveys in these neighborhoods indicate that this is where the highest degree of housing problems exists, where the most blight is observed, and where most of the City's low- and low-to-moderate-income persons reside.

The 2000 Census reflects median family income for a family of four in Lynchburg as \$32,234, slightly more than that of the 1990 census. This compares to an income range of \$14,000 - \$24,000 in the target census tracts. The 2005 HUD income guidelines for area median income (AMFI) for Lynchburg is \$53,050 for a family of four, while the usual income found in the census tracts covered by this plan range below \$30,000 for the same family size. Incomes in these neighborhoods are significantly lower than incomes city-wide. A disproportionate number of nonwhites live in the target market (66.6%) while the city-wide nonwhite population is 33.4% of the population.

In 2000, Lynchburg had 25,477 occupied housing units (a slight increase since the 1990 census). Of these, 38% percent were rental units (10,573), and 54% were owner-occupied (14,903). The rental vacancy rate was at 8% while vacancies of units for-sale were only 2%. The Citywide median value of owner-occupied property was \$85,300, according to 2000 census data, compared to an average home value of \$42,400 in the target census tracts. Since each census tract in the target CDBG area contains at least one historic district in which property values and purchase prices are quite high, this average value is not fully reflective of actual property conditions throughout the target census tracts. While property values are seen as relatively low for owner-occupied units in the target neighborhoods, the average rents there are higher than the City average.

Most of the families in the targeted area earn at or less than 50 percent of the area family median income and few could afford the 2005 HUD fair market rents (i.e. one bedroom-\$381; two bedroom-\$440; three bedroom-\$578; and four bedroom-\$697). More than one-third of all renters pay more than 30 percent of their income for housing costs. More than one-half of very low-income elderly renters are cost burdened and of those nearly 60 percent are severely cost-burdened. Only 12 percent of all Lynchburg homeowners suffer cost-burdens (more than 30 percent of income to housing costs), but more than 70 percent of low-income homeowners experience this burden.

African-American households experience the burden of housing problems more so than any other category of residents. A greater percent of non-white renters (45 percent) experience housing problems, when compared to the percentage of all renters (38 percent) with housing problems. A greater percentage of African-American homeowners (24 percent) experiences housing problems than do their white counterparts (13 percent).

Because of the City's desire to encourage a range of housing types throughout Lynchburg, this office has adopted some of the dynamic tools used in developing the Comprehensive Plan in which income levels and needs are identified in a housing policy matrix along with potential activities that can be taken by the public and private sector. In this way, City staff can work within small or large geographic areas of the target market and focus on housing needs of residents in the income ranges of 30%, 50%, and 80% of the Area Median Family Income (AMFI). Corresponding strategies and tools will be examined and, if appropriate, implemented to meet the housing issues observed. The matrix and supporting information is maintained by CPD staff

Major Housing Characteristics in the targeted census tracts are older stock, predominantly two-story, and medium to large frame houses, some with historic architectural detail. The demand for affordable housing is great. The housing stock for persons with disabilities is limited, although there are several housing complexes with units accessible to persons with disabilities.

Most of the vacant housing units in the City are found in the target census tracts (40%) which contribute to the decreased property values that result from years of disinvestment and a trend of neglect and deterioration of housing structures. The bulk of the City's substandard housing units are also found in the target census tracts. Most of the existing houses (rental and owner-occupied) are old (built prior to 1940) and have antiquated systems and deteriorating structures. According to data received, 38 percent of all renters experience some housing problems (e.g., substandard condition, cost burden, and overcrowding) compared with only 13 percent of owner-occupants.

According to the City's Comprehensive Plan over half of the City's single family dwellings are between 1,000 and 2,000 square feet. Homebuyers are searching for homes with two full baths, larger, updated kitchens, and three bedrooms. These amenities are not easily found within the available housing stock. In addition, there are a significant number of poorly maintained, vacant, abandoned, and deteriorating homes.

Property values in the target market neighborhoods are far below the City average, ranging from a low of \$18,000 to a high of \$44,000. These values are considerably lower than those in other parts of the City. Additionally, there was a net gain in population in these census tracts (1,195) between 1990 to 2000, while the City, as a whole lost less than 800 residents in that time. Of the residential units in the target area, there was an increase in the total number of units (257) and the number of owner occupants increased as well (260). Rental units declined but vacant units increased. In comparing values recorded in these census tracts in 1990 and 2000, property values increased significantly. Then, in 2005, the City's Tax Assessor conducted general re-assessment of properties throughout the City and raised values as much as 10.5% to adjust for prior slow rates of appreciation of City real-estate

There are approximately 1,600 units throughout the City that are restricted for very-low and low-income occupancy in the targeted areas, in addition to the 891 vouchers available to low and low-to-moderate income families. The sources of assistance are U.S. Department of Housing and Urban Development and the Virginia Housing Development Authority for site-based and certificate Section 8 units, as well as City HOME funds and CDBG funds that are directed into HOME-eligible projects for both renters and owner-occupants.

The City does not anticipate a loss of any assisted units in the period covered by this Plan. In addition, the City has recognized the housing need in the target area and supports the

renovation of properties to improve or create additional rental units affordable to low-income households. City HOME funds have been applied to projects using Low-Income Housing Tax Credits and other resources for this purpose.

Efforts to develop and track housing and demographic data are being discussed and efforts of other cities with complex economic and social conditions are being looked to for models that can document need and measure changes that may occur as a result of public and private investment in distressed areas of the City.

B. Housing Needs by Type in Target Market

1. Public and Assisted Housing

a. Public Housing Needs

The Lynchburg Redevelopment and Housing Authority (LRHA) has been operating in the City for almost 50 years. LRHA operations address the housing needs of lower income residents of Lynchburg through the HUD Public Housing and Section 8 Rental Assistance Program. LRHA has developed and currently maintains 327 publicly-owned rental housing units in four different locations: Dearington, Birchwood, Langview, and Brookside. Three of these complexes are located outside of the target area in an effort to avoid adverse impact. All have been undergoing improvement through HUD's Capital Grant Program with upgrades of roofing, siding, heating and air conditioning systems and management improvements. LRHA maintains a virtual 100% occupancy for apartments. The current public housing waiting list numbers 48 households.

The housing needs assessment by the LRHA in its Five-Year Plan indicates that extremely low income families are in the greatest need of housing assistance and elderly households represent the largest category of household type.

LRHA hopes to address the housing needs of those not eligible for Public or Section 8 housing by working with other agencies of the City including the Department of Human Services and the Alliance for Families and Children. During the five-year period of this Plan, LRHA also plans to offer homeownership opportunities by utilizing Section 8 rental assistance payments to be used for the purchase of a home. LRHA is developing eligibility criteria for this program.

b. Publicly Assisted Housing

The Section 8 Housing Choice Voucher Program provides housing assistance resources to 891 families that live in privately-owned scattered site housing throughout the community. Normal utilization of vouchers is approximately 98 % per month. LRHA maintains a rental assistance waiting list of 222 households, which is almost five times larger than that for public housing, indicating the interest of applicants in seeking to reside in privately-owned rather than government-owned housing

In addition to tenant-based rent assistance offered through the Section 8 Voucher program, there are ten privately owned and managed federally-assisted, multi-family units in Lynchburg that provide project-based rental assistance to low-income persons, the elderly, and persons with disabilities. Despite these efforts to serve lower income residents, the waiting list for housing assistance continues to increase. Seventy-five percent of these families had incomes

that did not exceed 30 percent of the area median income. Many of these families now occupy substandard housing or spend a large amount of their income to provide for their shelter needs. Many other families who have applied for housing assistance have been found to have problematic financial or behavioral histories, which would preclude them from participating in these programs.

One of the major providers of privately owned assisted housing is Lynchburg Covenant Fellowship (LCF), the oldest non-profit housing development corporation in the Commonwealth of Virginia. LCF has developed and maintains more than 400 units of assisted housing in Lynchburg. Most units were developed using the Low Income Housing Tax Credit. LCF manages multi-family rental properties for the low- and moderate-income, as well as providing some grants to improve single-family housing.

For those families that are on the waiting list at LRHA and other affordable housing opportunities offered through Lynchburg Neighborhood Development Foundation (LNDF) and Community Housing Partners Corporation (CHPC) their acquisition and renovation of buildings in the central city neighborhoods will provide more than 70 rental units for low to low-to-moderate income persons. Many of these renovated buildings were transferred to LRHA and CHPC, at little or no cost, by LRHA.

3. Homeless and Special Needs Population

During 2004, The Homeless and Housing Coalition (HHC) has focused on developing a more comprehensive plan to end chronic homelessness. The Homeless and Housing Coalition hosted an in-person HHC Orientation, which educated over 30 individuals about the Homeless and Housing Coalition's history, philosophy, goals and objectives. The HHC has progressed in producing additional outreach strategies and programs aimed at rural homelessness. This includes the formation of a Homelessness Work Team in Amherst County and a strengthened relationship between the HHC and Appomattox Department of Social Services.

The HHC has conducted a Point-in-Time survey of homeless individuals each year since 1997, as well as an inventory of homeless beds. Now service providers expect to conduct the count each year and reporting rates have improved annually. On January 21, 2004, the survey was conducted in conjunction with a statewide counting effort. One hundred fifty-six (156) individuals along with 25 families (including 34 children) for a total of 225 individuals were identified in the count. In 2003, the Survey Committee did not include identifying data for the chronically homeless on its survey. In 2004, this information was added to the survey and identified 27 chronically homeless individuals in Planning District 11.

The HHC believes that the percentage of chronically homeless has always been between 10 and 20 percent of the homeless population based on anecdotal information from emergency shelter and Transitional Living (TL) program directors. Identifying the chronically homeless and their needs is regularly discussed at the bi-monthly Shelter/TL Director's meetings.

More detailed analysis of need and gaps in services to the homeless and for homeless prevention is contained in the Continuum of Care.

In addition, the HHC has focused on strengthening the provision of services to all homeless individuals and to creating permanent housing opportunities for those identified in the annual Point-in-Time survey. The City has received Shelter Plus Care funding for ten supportive housing units. Lynchburg Neighborhood Development Foundation (LNDF) has received a

Housing and Urban Development (HUD) grant for the development of 11 units of permanent rental housing for disabled homeless persons and families. Miriam's House will provide supportive services for these units.

Virginia: Sharing a Common Wealth to End Homelessness is a comprehensive plan developed as part of a Policy Academy initiative supported by Virginia Governor Mark Warner. The plan, which is Virginia's Ten Year Plan, includes increasing housing units by 300 units annually, expanding use of mainstream resources, initiating rental assistance for homeless families and increasing state funding to shelters and transitional living programs. Furthermore, the plan places emphasis on the needs of the chronically homeless through the creation of new funding streams directed at increasing rental assistance and reducing barriers to mainstream resources.

In conjunction with the State's comprehensive plan, the HHC has developed a plan to end homelessness by 2012 and it represents the HHC's efforts at building congruence with the statewide plan while being specifically responsive to our local needs. The attached Continuum of Care provides the objectives and strategies for of this Plan.

4. Homeless Facilities and Services (Continuum of Care)

The Homeless and Housing Coalition of Central Virginia (HHC), formed in May of 1997 is charged with the responsibility of coordinating efforts to end homelessness through a variety of active committees. HHC members contribute voluntarily to maintain the HHC and Continuum of Care. There is no paid staff or designated entity devoted to convening the Coalition's activities or process. However, Miriam's House, a private non-profit, transitional living center, has assumed the lead in facilitating meetings, coordinating notices, and moving the HHC along a path to meet the standards set by HUD and the needs of the Planning District 11 community.

The Homeless and Housing Coalition is committed to a Continuum of Care (CoC) that is a strategic plan involving all stakeholders, and providing a seamless system of service delivery to all homeless families and individuals within Central Virginia. The CoC is a dynamic work in progress, open to review by the entire Coalition as well as HHC committees. Lynchburg City Council has approved the CoC as a cornerstone of its Consolidated Plan.

The HHC regularly publicizes its mission, which is to develop, sustain and coordinate a comprehensive, seamless system of services for homeless citizens of the cities of Bedford and Lynchburg and the Counties of Amherst, Appomattox, Bedford and Campbell, in order to move the homeless population toward self-sufficiency and ultimately to end homelessness. The HHC recruits new members and advocates continuously, seeking to diversify its membership and include public and private organizations whose work impacts the Central Virginia homeless population

The Continuum of Care lists the objectives articulated by the Housing and Homeless Coalition, created in 1996 to define the scope of services available for low-income persons, ranging from the homeless to those ready to enter into home purchase. The various degrees of homeless shelters and housing services ranging from prevention efforts to permanent housing programs are identified and listed in this document.

5. Special Needs Facilities and Services

The facilities currently available for persons with supportive housing needs are limited to those offered by the ARC of Central Virginia, Central Virginia Community Services, Central Virginia

Training Center, Rush Lifetime Homes, L'ARCHE Blue Ridge Mountains, Heart Haven, DePaul Family Services, Presbyterian Homes, Lynchburg Covenant Fellowship (LCF), and selected housing facilities with units restricted for use by elderly or persons who are disabled. There are other for-profit companies that provide group homes, support services, and foster care for adults with mental retardation. These companies include Support Services of Virginia, Cabaniss Consultants, Laury Homes Residential Services, Wall Residences, The Lamano Agency, Windsor Manor, Lifeline Residential, and Creative Family Solutions.

LCF also manages 52 other units for low-income and elderly households, and 14 transitional units for battered women. LCF has helped Central Virginia Community Services develop 60 units for persons who have developmental disabilities in Lynchburg. Rush Lifetime Homes (RLH) currently owns twelve homes that provide permanent housing for adults with significant mental and physical disabilities that prevent them from owning and maintaining their own home.

There are currently twelve group homes in Lynchburg serving the elderly and frail elderly of the city and surrounding areas. These homes provide services ranging from minimal assisted living to full 24-hour medical care in a nursing home setting. The combined capacity of these homes is approximately 1,000 persons. There is supervised adult daycare available from Adult Care Center of Central Virginia.

6. Barriers to Affordable Housing

Lynchburg is a city of relatively low housing costs. However, average income and cost-of-living also reflect these somewhat lower housing costs. In recent years, there has been a resurgence of housing development, primarily in the outlying areas of the City. Development in the CDBG area remains limited to non-profit and subsidized activity. This is due to the very low property values in these census tracts and a greater value placed on improvements to property than to the land itself. In the target area, this high value on improvements, or buildings, had the effect of costing more than clearing land and, thereby, negating the opportunities of redevelopment. This was also a large disincentive to development through renovation because the cost of repair typically exceeds the value of the renovated property. Therefore, subsidized development has been the primary construction in the CDBG neighborhoods to off-set the resistance of these neighborhoods to general real-estate market forces.

Other factors affecting the development of affordable housing, such as zoning, building code and density, are not obvious barriers. Recently, it was realized that old layers of zoning ordinances were not conducive to urban development or in-fill housing. These include applying suburban standards, such as off-street parking and lot-sizes, to urban housing which restrict appropriate development and increase relative costs. Steps have been taken to address these inconsistencies as noted in the City's Comprehensive Plan in 2002-2020.

In some cases the City has approved waiver of certain City fees that create undue costs on development of housing by non-profit organizations. Therefore, new procedures to support non-profit development are under consideration through which these and other fees (e.g., utilities, and liens) would be waived or reduced so that increased development costs are not passed on to low-income home buyers.

7. Lead-Based Paint Needs

Lynchburg is a historic City with a large stock of older housing. Fifty percent of the housing in Lynchburg is 75 years old or older. Approximately 23,000 houses in the City were built prior to

1978. More than one-quarter of Lynchburg's residents (17,747) live in the inner city or "Seven Hills" which contains the oldest housing. There are several historic districts in this part of the City with homes dating back to the late 1700s. Within the inner city there are seven strong, identifiable communities, named for the hill on that the neighborhood sits, and represented by a community organization with active leadership and participation throughout the defined neighborhood.

The City has twice received Federal grants from HUD for its Lead-Safe Lynchburg (LSL) Program. Most recently, funds in the amount of \$2,139,781 were awarded to continue the work begun in 1998. The project includes \$417,952 of in kind matching services from various private, governmental, and community-based organizations (CBOs). The program intends to reduce the incidence of lead poisoning and to make the older housing in Lynchburg lead-safe through affordable, cost-effective methods, while continuing to pursue the three goals undertaken in the first grant: education, intervention, and sustainability. Over the past seven years, LSL has addressed lead-hazards in more than 300 units and delivered services to hundreds of families who are at risk of exposure.

8. Fair Housing

An Analysis to the Impediments to Fair Housing (AI) was developed in 1996. This document, while describing possible barriers to integration at the time, is out of date. Over the past year, the City has been exploring a variety of methods to both update and expand the scope of the AI. Also, a task force, made up of private citizens, advocates, and City staff, has been formed. This Fair Housing Task Force (FH Task Force) will review the City's AI, examine AIs of other cities, consider recommendations of advocacy groups and invite public input so that it can recommend the formulation of the 2005 AI. The composition of the FH Task Force is based on that of the State's Fair Housing Board, established in 2002 and administered by the Virginia Department of Professional and Occupational Regulations (DPOR), and will meet throughout 2005.

City staff will be undertaking the update of this document during this Consolidated Plan. The State Office of Fair Housing and Equal Opportunity has been apprised of Lynchburg's intentions for this update. State staff has provided implementation technical assistance.

C. Allocation of Priorities

The Lynchburg City Council established housing and non-housing community development goals as the guiding principles of the Consolidated Plan and related activities. Using these goals and vision statement, City staff has identified the funding priorities and partnership strategies that will achieve the desired results. Housing has historically been a priority within the Community Development Block Grant Program, with approximately 50 percent of available CDBG entitlement funds provided to this category per year; and one hundred 100 percent of HOME funds go into housing projects. While Council approves specific projects on an annual basis, there are certain types of projects that typically receive funding from year to year.

1. City Goals for Housing and Community Development

The following are the goals established by City Council for this Plan that reflect the ongoing discussion regarding housing and community development needs of the low- and moderate-income persons living within the targeted census tracts.

Housing Goals

- Goal:** Provide priority assistance to programs designed to create new home ownership opportunities available to low- and moderate-income buyers.
- Goal:** Increase the number of owner-occupied housing units through support of public and private homebuyer programs. Emphasis is to be placed on programs, which require an investment of funds and/or labor on the part of the buyer, which are commensurate with the buyer's resources.
- Goal:** Rehabilitate substandard housing units through support of public and private programs. Emphasis is to be placed on programs, which require an investment of funds and/or labor on the part of the owner, which are commensurate with the owner's resources. In addition, maintenance of homes will be enforced through applicable ordinances and building code requirements, and through owner initiatives to rehabilitate existing rental properties.
- Goal:** Support initiatives to increase permanent affordable housing opportunities for low-income households and special needs populations and encourage regional cooperation of this goal throughout the Central Virginia Planning District.
- Goal:** Support the Healthy Neighborhoods Initiative by improving housing stock

Community Development (Non-Housing) Goals

- Goal:** Support economic development efforts, which will expand job opportunities and support job retention for low- and moderate-income individuals. Continue to take actions that stimulate private, as well as public investment in designated enterprise zones.
- Goal:** Eliminate neighborhood deterioration, blight and blighting influences through staged redevelopment of public infrastructure, rehabilitation activities, code enforcement, or clearance where needed.
- Goal:** Support the organized efforts of neighborhood associations that seek to leverage their resources to improve infrastructure, amenities, and services.
- Goal:** Support park and recreation improvements in relation to community need, particularly for low- to moderate-income persons or neighborhoods.
- Goal:** Encourage the preservation of properties of special value for historic, architectural, or aesthetic reasons.
- Goal:** Support public service providers in meeting the service needs for low- and moderate-income individuals and Special Needs Populations.

IV. HOUSING AND COMMUNITY DEVELOPMENT STRATEGIC PLAN

A. HOUSING

1. Housing Priorities

The goals identified by City Council form the housing priorities for this plan, and guide the direction of City funds and other available resources. The following are the priorities and strategies to reach them.

Create new home ownership opportunities: low- and low-to-moderate-income families

The City agrees with the national priority to increase the homeownership rate, particularly for low- or moderate-income families. Homeownership promotes stable neighborhoods and an increased sense of community along with personal financial investment. Owning a home is usually the largest investment, and largest asset, of most households. The data reveal that homeowners are less likely to experience housing problems (substandard conditions, cost-burdens) than renting families. There are several public and private efforts ongoing in the city to attract more first-time buyers by offering various incentives. The city's Comprehensive Plan states that the City will foster and expand relationships with local lenders to develop partnerships for first-time home buyers.

In order to increase homeownership, we must be prepared to assist families who are unable to meet the entrance profiles for conventional lending but are still credit-worthy and able to meet their financial obligations. This will mean that the City will need to partner with lenders and/or support alternative lending opportunities, by investing subsidies into the financing. The following are strategies that have been successful in Lynchburg and other places in meeting this priority: (1) continued and increased collaboration with area non-profit agencies, through the distribution of HOME and CDBG program funds; (2) expanded partnerships in the private sector, including corporate and banking sponsorship of homebuyer initiatives; and (3) new incentives to support private developers who build/renovate affordable single-family homes.

These strategies include exploring other public and private funding programs throughout the country to see if they can form models for us to maximize the available loan programs for first-time homebuyers. The use of CDBG and HOME funds to adjust market factors that sometime prohibit credit-worthy homebuyers from access to mainstream lending programs will make a difference in making new homeowners.

Moderate-income renters are an obvious target market for some of these programs. Most moderate-income persons could purchase a suitable house through programs that provide assistance in the form of lower interest rates and flexible loans for down payments and closing costs. City partners, such as Lynchburg Neighborhood Development Foundation (LNDF), Lynchburg Redevelopment and Housing Authority (LRHA), Lynchburg Community Action Group (LynCAG), and Habitat for Humanity, share this goal and offer several homeownership programs to meet the needs of the City's low income families

Increase owner-occupied housing units: focus on distressed neighborhoods

In the City's Comprehensive Plan states that a range of housing options is desirable but a greater proportion of owner-occupied is determined to create more stable neighborhoods as personal investment in long-range trends is stronger.

The 2000 Census reported 58.5 percent of the City's occupied housing units were owner-occupied, compared with 41.5 percent rental units. This represents a slight increase in the owner-occupied units city-wide. A corresponding increase was also identified in the census tracts that make up the target market. However, the ratio of owner-occupied units to rental units is lower than in more stable areas of the city, or than in other parts of the country. Efforts to build attractive markets for homeownership in the neighborhoods surrounding downtown is a necessary part of this undertaking.

In order to achieve long-term stability and investment in the City neighborhoods, we must encourage homebuyers to purchase here. This will entail incremental strategies that include working with developers, banks, and others to take collaborative action to achieve the goal of improving and retaining owner-occupancy and housing conditions for existing homeowners. With limited government resources, the City believes the participation of the private, for-profit sector will be necessary, with government involvement limited to leveraging other resources with CDBG and HOME dollars for those low- and moderate-income households, which require more assistance in order to, become owners.

Additional strategies include: (1) support of new and rehabilitated housing for ownership in a wide range of prices; (2) encourage developers, banks, and homeowners to take individual action in this regard; and (3) provide incentives for buyers and homeowners to invest a portion of personal funds into the project; and (4) assisting service providers to develop full-service housing counseling programs, including a homebuyers' club to develop qualified new purchasers. As a related matter, the City believes that the buyer should enter the process with some equity to minimize the need for subsidy and to spread City investment as broadly as possible.

Rehabilitate substandard housing units

The City's Comprehensive Plan identified housing problems in nearly 3,500 rental properties and 1,460 owner-occupied properties. The City's goal to make all housing safe, decent, and affordable will require that a variety of strategies be implemented simultaneously over the next five years. One strategy is to support financial mechanisms and incentives that encourage individuals in their efforts to repair and keep their homes and properties in good condition. To the extent feasible, owners should provide their own resources so that limited government funds will be spread to the maximum number of houses.

Another strategy is to extend some assistance programs to private landlords as well as homeowners. As business owners, these landlords are responsible for providing a quality product to the public, i.e. renting out only those properties which comply with the Building Code. Landlords who do not correct code violations within a thirty-day time frame will be denied a certificate of occupancy for those units, and therefore, cannot legally rent them out. Potential loss of rental income provides a direct incentive for the landlord to correct the problems. The City is taking a proactive rather than a reactive approach to prevent the further decline of the targeted neighborhoods. The LRHA Rental Rehabilitation Program has received CDBG funds to address observed and eligible repairs according to this strategy.

Clearly, collaboration with other public and private resources will be necessary. The primary home-repair agencies, Lyn-CAG and LNDF, will continue their owner-occupied home repair programs in order to assist this City in achieving its goal.

Strategies will include City support of resident education and training programs that: (1) identify rights and responsibilities of residents; (2) provide skills in home maintenance and upkeep; and (3) support individuals seeking to improve their housing situations. The **City's Residential Rental Property Inspections Program** will continue to be a key strategy through the routine inspections of all rental properties throughout the City. This year (March 2005) City Council unanimously approved a new ordinance focusing on property maintenance of rental housing. For this ordinance, owners of rental property are required to register any rental unit in the CDBG-targeted area and confirm that the unit complies with the Uniform Statewide Building Code (USBC) Property Maintenance Code. The City's Comprehensive Plan states that it will explore the effectiveness of incentives that encourage the rehabilitation of older rental properties, or possibly develop an awards program to recognize quality rehabilitation and maintenance of rental properties.

City funds will be made available for other housing providers, combining these with investment resources, such as the Low Income Tax Credits program which can be expanded to increase the stock of safe and affordable housing. However, the City's support of such equity investment for low-income rental units is limited to renovation of existing buildings so that our current stock of housing and structures appropriate for adaptive reuse can be exhausted before new units are constructed.

Acquisition and donation of vacant, blighted properties, by the City and LRHA, and the subsequent transfer to non-profits to develop affordable housing, both rental and owner-occupied, will continue and be expanded, as will the support Lyn-CAG and other organizations that provide assistance to low-income owners.

Increase affordable permanent housing opportunities: regional focus

The City will continue to support regional housing activity designed to increase the stock of affordable housing and meet the needs of low-income persons in the surrounding counties. The City will work with the other localities to meet the needs of low and low-to-moderate income persons, homeless individuals and families, and persons with disabilities and other special needs. Transportation initiatives that increase access to services and resources throughout the region will be supported, as well as coordinate, regional requests for public funds (i.e., through HUD and other public federal agencies) so that limited local resources can be leveraged and maximized. The City will continue to direct CDBG and HOME funds to projects within the City, that assist low-income, the homeless and persons with disabilities, working in conjunction with local and regional service providers

The need for permanent housing for homeless, the disabled, and those with special needs is documented in the Continuum of Care. The scope of the Continuum is regional and therefore, the City's desire is to support permanent housing development throughout the Central Virginia planning district (Planning District 11). All persons in the region should have housing choices and assistance available.

Special needs populations include, but are not limited to, persons who are mentally ill, mentally disabled, physically disabled, and substance abusers/addicts, have AIDS, are homeless, and are elderly and in need of supportive housing. This population is spread throughout the region, but many of the supportive resources are located in the City of Lynchburg. Increased support of regional homeless and special needs facilities and services, such as the regional Disabilities Services Board, will continue to be specific

objectives of the City. Another objective will be to improve regional transportation, especially for persons with special needs so as to maximize access to limited resources.

Support the Healthy Neighborhoods Initiative by improving housing stock

The City is in the process of developing a Healthy Neighborhoods Initiative Program. The mission statement for this initiative is "The City Government will partner with an inspired community to develop and sustain healthy neighborhoods." There are five elements that will be used to serve as the basis for the development of goals, objectives, and strategies. They are: (i) neighborhood identity and pride; (ii) safety and security; (iii) institutions and services; (iv) family and youth development; and (v) economic opportunity. One goal of this Initiative is to provide support to existing nonprofit organizations in the CDBG-targeted neighborhoods to advance the mission and goals of Healthy Neighborhoods.

Some of the strategies will be to conduct joint meetings with City and nonprofit representatives to define goals and criteria for citywide neighborhood initiatives, expand the role of the community-based nonprofits groups beyond neighborhood watches, assist with leadership within the nonprofits, create an interdepartmental team of City staff to work on an ongoing basis with the nonprofits, improve coordination of city services, and focus on specific neighborhoods as needed.

2. Housing Strategies: Interaction with Other Housing Resources

The overarching strategy for accomplishing the housing goals of the City is to conduct activities that complement and enhance the work being done by City departments and their partners using the various sources of public and private funding available.

a. City of Lynchburg Housing Programs

The City of Lynchburg is an entitlement community under the Community Development Block Grant Program (CDBG) of the U. S. Department of Housing and Urban Development (DHUD). This program allows for federal resources to be funneled into various CDBG and HOME-eligible projects. The City receives approximately \$1,000,000 per year from DHUD in CDBG funds; approximately two-thirds of these funds go directly to housing and community related services and an additional one-third goes to ancillary services in the community to support housing, enrich social development, and improve communities and neighborhoods. The City also receives HOME Program funds of approximately \$400,000 per year. These funds go to housing rehabilitation, assistance to first-time homebuyers, and new housing construction or rehabilitation for low-income residents.

Federally-funded City Programs

Federally-funded City Programs include Shelter Plus Care and Lead Safe Lynchburg. The City is open to applying for federal funds in those cases where partnering non-profit or other agencies cannot be recipients and the issues are relevant to the City priorities.

Shelter Plus Care Program

The City of Lynchburg received \$320,700 in HUD funds in 2002 for the Shelter Plus Care Program. This funding was provided for a five-year period. The program can provide rental assistance to approximately ten housing units. The overall goal of this grant is to identify homeless persons, ready for permanent housing, and offer additional time, financial assistance and services to reinforce their own resources, skills and motivation to live independently and

achieve self-sufficiency. The City conducts the program in collaboration with LNDF and Miriam's House. Participants must be considered homeless, have a documented disability, and must cooperate with necessary services. LNDF secures the housing and Miriam's House provides services. Funds are received through the Supportive Housing Program. This program will provide more than \$320,000 in rental assistance.

Lead Safe Lynchburg (LSL) Program

LSL partners with several agencies and groups in the City to both improve housing and to enhance health awareness about this issue. In addition to its work with the Central Virginia Public Health District, the City has engaged with the Johnson Community Health Center (JCHC) that serves many of the residents in the target market. JCHC was recently designated as a federally-qualified community health center and receives significant grant funds for its work.

In conjunction with HUD's Office of Healthy Homes and Lead Hazard Control (OHHLC), the City is in the process of taking the steps to designate Lynchburg has a Safe and Healthy Homes Community. This Initiative is one that, through the support of HUD, the Center for Disease Control (CDC), and Environmental Protection Agency (EPA) will establish an infrastructure to identify and control home health and safety hazards. City staff will work with stakeholders from the Lynchburg Health Department, Lynchburg Redevelopment and Housing Authority (LRHA), housing and community development organizations, the code enforcement inspectors in the Inspections Division, and private-sector create the infrastructure necessary to implement controls of housing-related environmental health and safety hazards identified in the Consolidated Plan, Comprehensive Plan, or other HUD-assisted Programs.

The City has obtained the data on properties that have caused elevated blood levels (EBLs) in children and on the number of EBL children. The chart below illustrates the estimated number of units with lead-based paint and lead-based hazards.

Estimated Number of Units with Lead-Based Paint and Hazards
Lynchburg Region

Year Built	NSLAH LPB %	NSLAH hazard %	Your number of units	Your % units	LBP Est.	Hazard Est.
Post 1977	8.0%	4.0%	5022		402	201
1960-1977	17.0%	8.5%	9268		1576	788
1940-1959	54.0%	27.0%	7473		4035	2018
Pre 1940	89.0%	44.5%	5877		5231	2615
					11243	5622
Total Housing Units			27640		11243	5622

Local Programs

Code of Ordinances

The Code of Ordinances of the City of Lynchburg authorizes City Council to designate rehabilitation districts and to waive customer availability charges for connection to the water and sewer systems. Non-profit housing developers may petition Council for the above designation when redeveloping residential property for low- and moderate-income households. Water availability charges of \$1,670 per dwelling and sewer availability charges of \$2,400 per dwelling may be waived by a majority vote of City Council. This program is frequently used by Habitat for Humanity. Real estate tax relief is available to the elderly and persons with disabilities earning \$19,000 or less per year, with a net worth of \$60,000 or less excluding the house in which they live. The City may also exempt from real estate taxes, for 10 years, the increase in value of a house 25 years old or older, which has been rehabilitated. There are also tax incentives provided to businesses that locate within the two designated enterprise zones.

In 2005, the City revised its tax assessed values of all properties in the City, resulting in a 20% jump in property values across all levels. There was a greater increase in land value to mitigate the disproportionate value placed on improvements. Non-profit organizations that can access soft costs funds (i.e. finance and construction related costs) and grant funds are able to conduct rehabilitation projects in these areas. The for-profit developers are unable to conduct the extent of renovation necessary to make the houses in the target market amenable to modern housing demands.

Because of this cost-to-value disparity, there are several incentives that the City offers to private and corporate entities interested in development in the targeted census tracts. Businesses located in the enterprise zone benefit from tax exemptions on improvement and other tax incentives.

Neighborhood Initiatives Program

The City through its Neighborhood Initiatives Program supports neighborhood revitalization by providing code enforcement of structures in need of repair, the abandoned vehicle program, the weed enforcement/inmate labor program, and illegal dumping. The City has also implemented the Residential Rental Rehabilitation Program that will address code issues with substandard residential dwelling units by providing for periodic inspection to ensure such units comply with the Uniform Statewide Building Code (USBC). This program will be focused the CDBG targeted neighborhoods found to have blighted residential rental dwelling units or be in need of inspection to prevent deterioration

b. Federal Housing Programs

The Lynchburg Redevelopment and Housing Authority operates the four **Publicly-Owned Housing Complexes** in the City, and as such receives Comprehensive Grant Funds from the U. S. Department of Housing and Urban Development on an entitlement basis. LRHA owns and operates a total of 328 units in these four sites: Dearington, 100 units; Birchwood, 103 units; Langview, 50 units; and Brookside; 75 units. The complex's units are composed of: 29 one-bedroom, 152 two-bedroom, 114 three-bedroom, 28 four-bedroom, and 5 five-bedroom. There is no planned increase or decrease in the number of public housing units. All units are well maintained; all four complexes have long-term physical and social viability.

LRHA developed a homeownership program through the HOPE I program in which they constructed 12 homes. The project was financed through the sale of the homes and as owners pay back LRHA the funds will be used to build additional homes in the future. It is a goal of LRHA to construct one home within the year 2005-2006.

In addition to permanent housing provided by LRHA, there are several **Publicly-Assisted Housing** Units throughout the City. There are ten multi-family privately owned, federally-assisted, and managed units in Lynchburg that provides project-based rental assistance to low-income persons, the elderly, and persons with disabilities. Some private landlords participate in LRHA's Section 8 program, accepting vouchers from assisted families. A complete list of the privately owned assisted units is found in the Continuum of Care.

With the maturation of the Central Virginia Homeless and Housing Coalition (HHC), several area non-profit housing developers have been assisted with HUD funds through the Supportive Housing Program (SHP) to develop transitional and permanent housing opportunities for disabled homeless. The transitional housing providers include Miriam's House, a transitional facility for homeless women and children, and Lynchburg Community Action Group's Family Living Center for homeless families. Permanent housing providers are Rush Homes with five new units for disabled homeless in the region, and LNDF with ten units at Cornerstone. In all cases, case management is provided to residents so that they continue with necessary services while they work to join mainstream activity.

LNDF was awarded \$412,000 from HUD's Supportive Housing Program, along with matching funds from the State, to provide 10 units of affordable permanent rental housing for disabled homeless persons and families. Two buildings in Lynchburg have been acquired and will be renovated for the project, called the Cornerstone. There will be eight one-bedroom units and two two-bedroom units. The partners are LNDF as owner/developer, Miriam's House as service provider and Community Housing Partners Corp (CHPC) as property manager.

Rush Homes has five housing units in their program that provide permanent affordable homes with support services for homeless adults with disabilities. The purpose of the Supportive Housing Program is to assist people with disabilities who are experiencing homelessness in the transition to permanent housing, and to enable them to live as independently as possible. Rush Homes provides a fully furnished home and clients pay an affordable rent based on income. Rush Homes provides case management services and links clients with other needed services such as budgeting, child care, employment services, and health care.

Lynchburg Community Action Group (Lyn-CAG), a local nonprofit, in conjunction with the John J. Wellons Foundation, Inc. is currently sponsoring and constructing a HUD Section 202 apartment complex. This apartment community will make 71 one-bedroom, rent-assisted, affordable housing units available to lower income seniors.

The U.S. Treasury has supported the development of financial institutions that primarily operate in distressed communities and offer credit to low- and moderate-income households. These **Community Development Financial Institutions (CDFIs)** then qualify for consideration in annual, competitive funding rounds for funds that match the terms and amounts of funds raised through the private sector. This program has the potential to provide considerable leverage for local funds.

Lynchburg Community Loan Fund (LCLF) is a newly formed CDFI that provides housing loans in the form of subordinate mortgages for the purchase and repair of homes. The investment area includes the more blighted areas of the City of Lynchburg, and the target population is borrowers earning at or below 80% of the Area Median Income (AMI). In operation for three years, LCLF received seed funds from CDBG and has provided loans in excess of \$80,000 to the target population.

Historically, the larger banking community has been the major investors in CDFIs. This has been seen in Lynchburg as several local banks offered long-term pledges of contributions to LCLF for its loans. As a non-profit CDFI, LCLF can obtain grant funds to reduce the costs of funds and further spread its resources. As it grows, LCLF will consider additional loan products, such as facilities lending, and expanding the territory it serves under Treasury certification. The Board of LCLF is conducting strategic planning to conduct feasibility studies of such expansion and the effect on the original target market.

c. State Housing Program

State program funds are funneled to the City through other non-profit organizations, which assist with homeownership and weatherization of homes for low-income residents.

Central Virginia Regional Loan Fund: Lynchburg Neighborhood Development Foundation receives approximately \$800,000 per year in regional loan funds from the Commonwealth of Virginia. These funds can be used for first-time buyers in the form of low-interest loans, either in rehabilitation or new construction in the Central Virginia Planning District. These funds are available to persons under 60 percent AMFI who can qualify for low-interest mortgage funds. City HOME dollars and other private agencies supplement these funds with subordinate, forgivable loans to cover down payment and closing costs.

Weatherization and Emergency Assistance Programs: Lynchburg Community Action Group (Lyn-CAG) participates in programs that provide funds to weatherize homes of low-income persons; they usually involve improving the heating systems, doors and windows, and insulating the structure. This program also receives support from the City through the CDBG program. They also receive Virginia Department of Social Services and other State share grants to assist in their varied housing programs.

Lyn-CAG also administers a Paint Program, utilizing the state's **Neighborhood Assistance Program** (NAP), through which paint products are made available to low-income homeowners who can provide the labor to complete their painting projects.

Affordable Housing Preservation Program: Funds from this flexible source distributed by the Virginia Department of Housing and Community Development (DHCD) have been used by several housing development agencies including Rush Homes and LNDF. Coupling these funds with other funds specifically directed to projects serving special needs populations has resulted in a significant increase in the number of accessible houses available in Lynchburg.

d. Investment Equity through Tax Credit Programs

Federal Low Income Housing Tax Credits

This source of financing affordable housing development has been used in Lynchburg since the program's inception in the mid 1980s. Several groups have used this program, including: New Land Samaritan Inns has operated the Gateway for approximately eight years. The Gateway serves as transitional housing for up to 23 men who were formerly homeless, and who agree to

undergo treatment for substance abuse and/or training to improve work skills. Miriam's House is a similar program for women and their children.

Other, scattered site projects have been developed for affordable rental housing throughout the City using a combination of private equity investment and federal rental assistance programs. Most recently, two projects, College Hill Homes and Central City Homes, have used LIHTC to develop 65 affordable rental units through renovation and adaptive re-use of existing houses and building throughout Lynchburg's central city neighborhoods. In some cases, buildings were donated to the projects from LRHA, and the City has invested HOME funds in both.

Federal and State Historic Preservation Tax Credits

Lynchburg is a historic city and one that, over a century ago, was the second wealthiest city in the country on a per-capita basis. It was a port and distribution center on the James River and its leadership was comprised of wealthy merchants. Therefore, the housing stock, especially in the older city, is of excellent quality and unusual design and architecture. Preserving these buildings has not always been a City priority but, in recent years has taken on major significance. The Lynchburg Historical Foundation (LHF) is a non-profit organization that supports preservation efforts and works with local professionals and residents to maintain this important part of the City's history. LHF also applies City CDBG funds as a match to funds it provides to residents of historic districts interested in preserving their homes. LHF also works with other organizations such as Lynchburg College's Center for the History and Culture of Central Virginia to research and develop the record of Lynchburg's past. As revitalization of the City's downtown gains momentum, preservation will be a critical issue in terms of construction and in terms of funds. Many local residents, businesses and non-profit organizations have begun to use the federal and state historic tax credits and enterprise zone tax credits. The amount of investment from the sale of these credits has increased substantially since the State credits have become effective.

The investment opportunities in the development of historic properties in Virginia are two-fold. In addition to credits against federal income tax liability, investors can also seek credits against state income tax liability. A combined maximum of 25% of the cost of approved basis is available for tax credits under the state program and 20% is available under the federal program. This incentive for investors to participate in the revitalization of the City, its downtown, and its residential neighborhoods is a positive boost to the City's plans for the future.

e. Private Resources

Greater Lynchburg Habitat for Humanity provides new single-family housing for purchase by low- and moderate-income families. Habitat has constructed 200 such houses to date using mostly private donations and significant support from the churches and faith communities. The City has provided some CDBG funds to cover the costs of water and sewer connection fees, and land acquisition. Habitat serves the low- and very low-income population able to purchase a home. The City continues to encourage Habitat to renovate historic homes in the CDBG eligible area. This preserves the fabric of our historic neighborhoods and prevents further deterioration and vacancy in these areas.

B. COMMUNITY DEVELOPMENT

Non-Housing Priorities

Support Economic Development

The City's goal is to encourage more commercial and industrial development in order to provide more jobs in the inner city. We will use the following strategies: (1) increase Community Development Division participation in downtown redevelopment and revitalization especially to support the majority of residents who are low- and moderate-income; (2) review and seek to continue to provide financial assistance for facade improvement grants to businesses in the downtown census tract to further redevelopment in this area and instill pride in our Main Street; (3) encourage continued support from the area banks in the privately-funded Enterprise Zone Loan Pool, which provides reduced rate loans to eligible businesses; (4) continue to support the Business Development Centre, a non-profit organization which provides Small Business Administration loans, other loans, and technical assistance to emerging businesses; and (5) continue participation in the Welfare to Work program that encourages welfare recipients to take advantage of job opportunities that will promote work and encourage the formation and maintenance of stable families. The City will also support projects that recruit and train low income persons and assist them in obtaining employment. The City will continue its efforts to establish a third enterprise zone and continue implementation of the downtown master plan for the redevelopment of downtown. Finally, a strategy to accomplish the City's objective is to bank on its entitlement resources through the Section 108 guaranteed loan program and HUD's economic development initiatives.

Eliminate neighborhood deterioration and blight

The City will continue its coordinated and aggressive code enforcement of dealing with weeds, abandoned motor vehicles, litter, and vacant buildings in an effort to improve the safety and appearance of neighborhoods, in which people live, work and play. The City will continue to use supervised inmate labor from the local jail to secure abandoned buildings against illegal entry, clean illegal dumpsites, and cut weeds on neglected properties. The Community Planning and Development staff will continue to involve the Police Department, Fire Marshall, and Lynchburg Redevelopment and Housing Authority in determining the priority for demolition of substandard housing. The above is part of the City's ongoing Neighborhood Initiatives Program, and is a high priority activity.

Another segment of this program is the continued support of the Code Enforcement Task Force, a group of City employees whose job responsibilities relate to enforcement and/or quality of life issues. This Task Force will continue to focus on enforcing codes in a fair and effective manner; devise new strategies to address neighborhood/citizen concerns; and walk neighborhood streets as a group so that they can see and hear concerns first-hand and respond with their own observations.

The City will continue its selective demolition program in the targeted neighborhoods. The program is focused on demolition of non-historic structures and site preparation for the collaboration with non-profit housing providers to offer the sites for housing construction and the waiver of fees for landfill and demolition costs.

Public infrastructure in the downtown area is being addressed by the Combined Sewer Overflow (CSO) project and street improvements as part of the downtown redevelopment. The City will *seek to complete the CSO project within the next three to five years.* The Riverfront Park will

meet recreational and entertainment needs for the City and region, in particular the targeted neighborhoods.

The City supports the Downtown Façade Improvement project through the CDBG Program in conjunction with the downtown redevelopment projects.

Support organized neighborhood association efforts

The City plans to work with neighborhood organizations, particularly those in the CDBG-targeted areas, to become more livable by addressing quality of life issues such as infrastructure, housing redevelopment, and services needed by the residents. In addition, the neighborhood organizations are going to be encouraged to support this goal by providing community volunteers and seeking financial resources to leverage the activities proposed for the neighborhood. Building on the recommendation of the Comprehensive Plan for neighborhood partnerships this goal has been added and will be a major focus of the multi-discipline areas.

Support Park and recreation improvements

The City is moving forward on plans to further develop and upgrade the Blackwater Creek Natural Area access, Kemper Street Bike/Hike Trail, the Community Market, and Riverside Park for recreational purposes using a combination of local, state, and federal funding which has already been approved. The City's goal is to have these projects substantially completed by the end of the five-year period.

Encourage Preservation of properties

The City, being over 200 hundred years old, has many historic commercial and residential properties. There are also six (6) locally designated historic districts, as well as the Downtown, which is an historic advisory area. The City will continue to: financially support the Historical Foundation matching Repair Assistance Program; expand the museum system; and place a priority on renovation of old structures such as The Legacy of African American History Museum and Amazement Square. The City is aware of the advantages of historic preservation in relation to economic development and tourism and will continue to support activities in these areas. The City plans to assist at least 25 homeowners through the Repair Assistance Program and the preservation of five historic properties in the five-year period of this Plan.

Support public service providers

The City will continue to support public service providers in order to meet the needs of the low-to-moderate income persons, homeless, persons with disabilities and special needs population. In addition to the services provided by the City's Human Services Department, there are many nonprofit organizations that coordinate with the City to provide the services needed.

Other Supportive Resources

The City is fortunate to have several resources through which services are delivered to the community. Some of these receive funding from the public sources, such as federal and state grants. Others are private activities operating solely with donated funds from the private sector. In all cases, the City encourages this work and relies on it to complement its social service functions to City residents. The following describes a few programs and lists others that are active in the City.

The Lynchburg Commonwealth Attorney's Office engages in a **Community Prosecution Program**, which incorporates a grass-roots approach to justice, involving a partnership between citizens, law enforcement and other government agencies in problem-solving efforts to address the safety and quality of life concerns in a defined geographic target area. The key element to

this Program is the neighborhood involvement. The people in a neighborhood must invest themselves emotionally and be energized to come together and make a difference and have a safer community to raise their families. When the community has an emotional investment in the improvement of its quality of life, then each neighbor is actively engaged in crime prevention.

The Johnson Community Health Center (JCHC), a full-service medical facility, was just designated a **Federally-Qualified Community Health Center** and recipient of significant federal grants. Several years ago, JCHC was created by CentraHealth, with funds from its Foundation, to meet the observed and severe primary health care needs of the community, especially those of low-income. Centra has invested more than \$1 million to build and staff JCHC and provided ongoing support through the Foundation to continue its progress. When seeking the federal qualifications, JCHC split from Centra Health and established itself as a separate organization with more than 50% of its Board of Directors coming from patients at JCHC. The goals of JCHC have been met and it continues to expand to meet health needs in the Lynchburg and surrounding community.

Security concerns in multi-family housing are addressed by LRHA who employs a Security Company to provide security to all four complexes. The Security Guards who are employed work closely with the Lynchburg Police Department to make sure all Police Department Policies are followed. This successful collaboration has allowed LRHA to quickly respond to illegal activity and enforce the "One Strike You're Out" policy and stop undesirable tenants activity.

Several more resources are available for assisting low-income persons achieve reasonable social and economic goals as the following list indicates.

Education and employment training

- Adult Learning Center,
- Westminster Presbyterian Church (literacy program)
- New Land Jobs
- Lynchburg City School System's R.O.D.E.O. program.
- Region 2000 Workforce Investment Board

Health Care

- Central Virginia Community Services Board
- Free Clinic of Central Virginia
- Central Virginia Public Health District

Transportation Services

- Greater Lynchburg Transit Company (city bus service)
- Lyn-CAG through its HOPWA funds offers transportation to its clients

Child Care

- Elizabeth' Early Learning Center
- Bethune Nursery School

Legal Services

- The Virginia Legal Aid Society
- Public Defenders' Office

Homeownership counseling
Share HIP, Homebuyers Club (LynCAG)
LNDF Borrowers' Services

Case management and general community support
Central Virginia Community Services Board
The Daily Bread Day Shelter
The Lynchburg Area Food Bank
Crisis Line, a crisis intervention hotline
Central Virginia Area Agency on Aging

Numerous civic groups such as the Kiwanis provide gifts of volunteer time and money to assist the low-income persons. The YWCA-Downtown Branch offers transitional housing for battered women, along with permanent housing above their offices, located in downtown. The ARC of Central Virginia provides enhanced physical and occupational therapy, supported employment, communication facilitation, and nursing care to individuals with mental retardation. The Lynchburg Area Center for Independent Living Inc. is a private non-profit, non-residential consumer driven organization that promotes the efforts of persons with disabilities to live independently in the community and supports the efforts of the community to be open and accessible to all citizens.

In addition to the multiple public and private agencies providing supportive services to low-income citizens, the City currently employs a 24-hour citizen service phone contact that coordinates with the United Way-sponsored Information and Referral Hot Line to inform citizens of the available services.

C. Anti-Poverty Strategy:

The City is pleased that it has engaged in multiple approaches to meeting the needs of its low-income citizens. According to the 2000 census, there are more than 9,700 persons in Lynchburg who live in poverty. This fact prompts concern and action by the City's services departments and prompts its planning and community development staff to advocate for greater coordination among City departments for maximum effect in reducing the number and degree of poverty in our City.

Besides the many housing programs supported by the City, there are other activities designed to meet poverty at its cause, such as job-training and placement programs, early learning programs, and a variety of incentives to build the capacity of residents to increase income and, therefore, achieve levels of self sufficiency and stability. Specific programs for reducing poverty through increased education, income, and improved quality of life are:

- Head Start early learning program provided through LynCAG
- Federal and State social services grant programs connecting service providers with the Lynchburg City School System
- HUD Section 3 compliance in public and private development projects
- Lynchburg Dept. of Social Services adoption of the Virginia Welfare to Work program, Virginia Initiative for Employment Not Welfare (VIEW)
- Participation in the regional effort to educate, train, retrain, assist, and place persons in job opportunities through the Region 2000 Workforce Development Initiative. Through its Family Self-sufficiency program, LRHA refers residents to the Region 2000 Workforce Career Center to educate, train and employ families in need of the services the Workforce Center provides.

As a participant in the Homeless and Housing Coalition, the City adopts and endorses the 2005 Continuum of Care which identifies the resources and the needs for regional housing opportunities and service providers and, therefore, more fully articulates the City's anti-poverty strategy.

V. COORDINATION

A. City Council Vision 2020

In 1995, the Lynchburg City Council developed a vision for the year 2020. City Council's vision for "Lynchburg 2020" provides elected leaders with a shared picture of the desired future for the City. The vision guides them in making decisions that insure a positive future for the City instead of those that deal only with current realities and crises. They also adopted Vision Principles to further guide their decision making on key vision areas. These principles assist the Council in using a shared philosophy to make decisions that will benefit the community the most.

The Council refocuses its vision every year at a City Council retreat to insure that it reflects the needs of the community and the collective leadership agenda of the membership. The vision principles and operating guidelines are also modified on a continuous basis to insure that these commitments reflect the best guidance system for the community.

The Vision and Vision Principles indicate the steps that have been taken to develop long-term changes in the community and a vision for the future of Lynchburg and, in particular, during the time frame of this Plan.

The goals and performance benchmarks for measuring the progress of targeted neighborhoods, economic development, redevelopment, human development, and serving the low to low-moderate income persons are included in a summarized report.

B. Public Sector

The primary public institutions involved in this plan are the City of Lynchburg, **Lynchburg Redevelopment and Housing Authority** (LRHA), and the Region 2000 Regional Planning Commission. The City is responsible for administering federal CDBG funds, HOME funds, and other funds from related public and private grants programs.

LRHA is a separate political subdivision, created at the request of the Lynchburg City Council. LRHA is responsible for public housing and Section 8 housing, as well as utilizing CDBG funds to conduct acquisition and rehabilitation programs, including acquisition on behalf of non-profit housing developers. The City and LRHA cooperate on CDBG projects, as well as other housing related matters. Both cooperate with the Commonwealth of Virginia in the provision of housing related services, particularly the Department of Housing and Community Development and Virginia Housing Development Authority.

The seven communities of **Region 2000** are Town of Altavista, Amherst, Appomattox, Bedford, and Campbell Counties, and the Cities of Bedford and Lynchburg. Participants in Region 2000 include business and civic officials from the seven communities working together to create a supportive environment for business. By combining the strengths and unique attributes of each community, Region 2000 offers an unparalleled home for today's businesses. The Planning District is a part of Region 2000. The regional designation is created by state law and the board of the Planning District is composed of elected and appointed officials of the jurisdictions in the region. It is responsible for regional planning, and the administration of certain grants applicable to multiple jurisdictions within the region.

C. Private Sector

1. Community Based Organizations – Partnerships with Neighborhoods

The mission statement for the City's Healthy Neighborhoods Initiatives Program is "The City Government will partner with an inspired community to develop and sustain healthy neighborhoods." There are five aspects of quality of life that this Program will focus on and they are: (a) neighborhood identity and pride of citizen ownership; (b) safety and security; (c) institutions and services, which include partnerships, education, and communication; (d) family and youth development; and (e) economic opportunity.

To accomplish the goal of providing support to existing 501C3's (associations) in the CDBG-targeted neighborhoods to advance the mission and goals of the Program the following strategies will be used to coordinate this effort.

- Conduct joint meetings with City and neighborhood associations to define goals and criteria for citywide neighborhood initiatives;
- Expand the role of the neighborhood associations beyond the neighborhood watch groups;
- Assist with the development of leadership within the neighborhood associations; and
- Create an interdepartmental coordination of city services and focus on specific neighborhoods as needed.

This Program will strive to build the capacity for sustainable neighborhoods.

2. Private Lending Organizations

Private sector lending institutions have worked with the City in collaborative efforts to revitalize the downtown district, improve the condition of older commercial buildings and encourage economic development opportunities, especially in support of small businesses. Local lenders have shown support for activities that constitute qualified investment opportunities, such as attractive financing for community development projects and donations to capitalize a newly formed and certified Community Development Financial Institution (CDFI), the Lynchburg Community Loan Fund (LCLF). This loan fund operates primarily in the distressed areas of the City and provides residential loans to an investment area that coincides with the target area of this Plan. The LCLF Board is undertaking strategic planning in which it is considering expanding its activities and its geography.

While there are several lending institutions in Lynchburg, fewer local banks remain as a result of multiple mergers. Most of the large statewide banks have offices in the City, two regional banks have prominence here, and two local banks, Bank of the James and Community First have been established in the last two years. All of the banks maintain a community presence, and one or two have been aggressive in trying to get to the hard-to-reach, low-income populations in the target census tracts. All the banks participate with non-profit programs, especially around new homeownership opportunities. One of the regional banks has been heavily involved with a collaborative effort to expand housing counseling and to establish homebuyers' club in the region.

3. Downtown Revitalization

Along with the increased interest in preserving the physical buildings that grew from the James River up the hills into the residential districts, Lynchburg citizens and leaders have put growing emphasis on the revitalization of the downtown. Attention to both the central business district and the formerly industrial riverfront is growing. Over the past decades, retail has left the

downtown in favor of locations outside the Center City. This trend has slowly changed with the creation of a Downtown and Riverfront Master Plan and establishment of a downtown advocacy group, Lynch's Landing. Lynchburg is now turning its interest back to the downtown and begun exploring the opportunities that exist in the adaptive reuse of the old warehouse, market and institutional buildings downtown and along the James River.

The philosophy of this downtown revitalization is based largely on that of the city of Charleston, South Carolina. The mayor of Charleston has visited Lynchburg and offered considerable advice and encouragement about effective methods to bring back a thriving downtown. An important component of this philosophy is that public amenities must be accessible to all citizens and have a positive social, economic, and aesthetic effect to the benefit of the entire City. Therefore, the focus on downtown revitalization is designed to operate to the benefit of downtown residents and those in the surrounding low-income census tracts. The public sector must invest to draw private investment.

A strategy to accomplish these goals is to apply the ongoing resources to commercial and housing activities that support the Downtown and Riverfront Master Plan. Two such mechanisms are the use of Section 108 and economic development initiatives.

4. Area and Neighborhood Plans

a. Kemper Street Strategic Plan

The Kemper Street Strategic Plan presents a process to formulate a rational and realistic plan for the phased implementation of the Kemper Street Area Development project over the course of a number of years. The project is a major component of the redevelopment within the area of two of the targeted census tracts, Census Tract 6 and 7. While this project has received previous CDBG funds for property acquisition and building renovations, there are no current plans to direct additional CDBG dollars to the project. However, the City continues to support this project financially with other local, State and Federal dollars.

b. Tyreeanna Neighborhood Plan

As a component of the City's Comprehensive Plan that was adopted by City Council in September 2002 the Tyreeanna Neighborhood Plan was completed in and approved by City Council in July 2003. This Plan addressed neighborhood needs and issues of the residents and businesses. The goals of the Plan are: (a) conserve, stabilize and revitalize the neighborhood; (b) provide the citizens with a safe, efficient, effective and well-planned transportation network to enhance economic development and redevelopment while preserving the integrity and character of the neighborhood; (c) provide adequate public facilities and services to support the neighborhood; (d) promote the improvement and revitalization of commercial corridors and districts; (d) coordinate the timing of major land use changes in the neighborhood with road and infrastructure improvements; and (e) allow the residents and business owners an opportunity to participate in the implementation of the Plan.

C. Fifth Street Plan

The once-busy African-American commercial street has gradually deteriorated into a strip of dilapidated store-fronts, and declining businesses. This area is now the target for revitalization by the City, the neighboring residents and the business owners and occupants of Fifth Street. A few years ago, feasibility studies revealed a strong interest by the public in bringing Fifth Street back to its place as a community hub and vital entrance to the downtown. A small non-profit group, the Fifth Street Community Development Corporation (CDC), was formed to gather

public and private resources to start the redevelopment of the Street. City funds were obtained to conduct beautification projects and to enlist a firm in developing a conceptual plan for the future of Fifth Street and its neighboring blocks. Most recently, efforts by the African-American community have resulted in providing an overlay designation along Fifth Street in memory of Dr. Martin Luther King, Jr. As they proceed into the development planning stage, the City and the Fifth Street Community Development Corporation have secured the support of the private stakeholders in the preliminary efforts to achieve the needed changes.

B. Identified Benchmarks and Performance Measures

The charts below illustrate the various benchmarks and performance measures the City plans to meet during this five-year plan.

New Homeownership Assistance

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Homeownership	15	15	15	15	15					

The City's goal in the Consolidated Plan is to promote stable neighborhoods and increase a sense of community along with personal financial investment. To achieve this goal the City would provide support of potential homebuyer programs through investment of HOME and CDBG dollars that could assist low-income families in purchasing their first home.

Housing Rehabilitation and Weatherization/Emergency Home Repairs

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Housing Rehabilitation	25	25	25	25	25					
Weatherization/ Emergency Repair	40	40	40	40	40					

The City's goal in the Consolidated Plan is to make every housing unit safe, decent, and affordable regardless of the service. In addition, the City assistance programs would extend to eligible rental activities.

Residential Rental Property Inspections Program

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Rental Inspections	1,000	1,000	1,000	1,000	1,000					

The City's goal in the Consolidated Plan in addition to the Residential Rental Property Inspections Program was to continue support for the Code Enforcement Program to reduce the number of rental properties that have code violations and are health, safety, and public welfare concerns.

Initiatives to Increase Affordable Housing for Low-income Households and Initiatives to Increase Affordable Housing for Special Needs Population.

The Homeless and Housing Coalition under the leadership of Miriam's House submitted the Continuum of Care. The narrative contains information regarding the persons served through this Plan.

Lead Based Paint Initiatives

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Lead Remediation	70	70	70	70	70					

The City's goal with the Lead-Based Hazard Control Grant was to reduce the incidence of lead poisoning and to make older housing in Lynchburg lead-safe through affordable, cost-effective methods, while continuing to pursue the goals of education, intervention, and sustainability.

Economic Development Efforts

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Enterprise Zone	2	2	2	2	2					
Façade Improvements	5	5	5	5	5					
Downtown Redevelop.	5	5	5	5	5					

The City's goal was to encourage more commercial and industrial development in order to provide more jobs in the CDBG-targeted neighborhoods and will use the following strategies: (1) continue participation in downtown redevelopment and revitalization especially to support the majority of residents who are low- and moderate-income; (2) review and seek to continue to provide financial assistance for facade improvement grants to businesses in the downtown census tract to further redevelopment in this area and instill pride in our Main Street; (3) encourage continued support from the area banks in the privately-funded Enterprise Zone Loan Pool, which provides reduced rate loans to eligible businesses; (4) continue to support the Business Development Centre, a non-profit organization which provides Small Business Administration loans, other loans, and technical assistance to emerging businesses; and (5) continue participation in the Welfare to Work program that encourages welfare recipients to take advantage of job opportunities that will promote work and encourage the formation and maintenance of stable families. The City will also support projects that recruit and train low income persons and assist them in obtaining employment. The City will continue its efforts to implement the downtown master plan for the redevelopment of downtown. Finally, a strategy to accomplish the City's objective is to rely on its entitlement resources through the Section 108 guaranteed loan program and HUD's economic development initiatives.

Demolition and Code Enforcement

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Demolitions	2	2	2	2	2					
Weed Ordinance-Property clearance	125	125	125	125	125					
Abandoned Vehicles-Removal of	450	450	450	450	450					

The City's goal was to continue to eliminate neighborhood deterioration, blight and blighting influences through staged redevelopment of public infrastructure, rehabilitation activities, code enforcement, or clearance where needed.

Healthy Neighborhoods Initiative and Support of Neighborhood Associations

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Neighborhood Meetings	5	5	5	5	5					
Infrastructure Improvements	1	1	1	1	1					

The City's goals are to support the Healthy Neighborhoods Initiative by improving housing stock in the targeted neighborhoods and support the organized efforts of neighborhood associations that seek to leverage their resources to improve infrastructure, amenities, and services.

Park and Recreation Improvements

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Park and/or Recreation Improvements	1	1	1	1	1					

The City's goal is to support park and recreation improvements in relation to community need, particularly for low-to-moderate income persons.

Preservation of Properties of special value for historic, architectural, or aesthetic reasons

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Preservation of historic properties	5	5	5	5	5					

The City's goal was to support and encourage the preservation of properties of special value for historic, architectural, or aesthetic reasons.

Public Service Providers

PROGRAM	FIVE-YEAR GOALS					ANNUAL ACTUAL ACCOMPLISHMENTS				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Housing for Homeless	2	2	2	2	2					
Education, Youth Activities, Senior Programs, Job Training	5	5	5	5	5					

The City's goal is to support public service providers in meeting the service needs for low and moderate income individuals and Special Needs Population.

VI. ACTION PLAN

A. ACTION PLAN ELEMENTS

1. SOURCE OF FUNDS

The table below states the source of funds for the Action Plan during the period of July 1, 2005 through June 30, 2006.

FUNDING SOURCES	
Entitlement Grant (includes reallocated funds)	
CDBG	\$1,035,491
ESG	0
HOME	447,294
HOPWA	0
Total	\$1,482,785
<hr/>	
Prior Years' Program Income NOT previously programmed or reported	
CDBG	\$ 0
ESG	0
HOME	0
HOPWA	0
Total	\$ 0
<hr/>	
Reprogrammed Prior Years' Funds	
CDBG	\$ 224,380
ESG	0
HOME	0
HOPWA	0
Total	\$ 224,380
<hr/>	
Total Estimated Program Income	
LRHA Program Income	\$ 90,000
Total	\$ 90,000
<hr/>	
Section 108 Loan Guarantee Fund	\$ 0
<hr/>	
TOTAL FUNDING SOURCES	\$1,797,165
<hr/>	
Other Funds (UDAG Funds)	\$ 2,337
<hr/>	
Submitted Proposed Projects Totals	\$1,799,502
<hr/>	
Un-Submitted Proposed Projects Totals	\$ 0

2. STATEMENT OF OBJECTIVES AND DESCRIPTIONS OF PROJECTS

The specific objectives and descriptions of the projects for the CDBG and HOME programs for the Action Plan year of 2005-2006 are included in Attachment 1.

In this Action Plan there is \$224,380 that has been reprogrammed from previous years projects. The funds were reprogrammed from the following projects:

1999-2000 - \$925 - Targeted Community Improvements—Project has been completed under budget.

1999-2000 - \$4,812- Spot Blight Program - Project has been completed for program year. (Grant funds were returned to HUD).

2000-2001 - \$80,188 – Spot Blight Program – Project has been completed for program year. (Grant funds were returned to HUD).

2002-2003 - \$21,101 – Program Administration – Project has been completed under budget.

2002-2003 – \$19,354 – Neighborhood Initiatives – Project has been completed under budget.

2003-2004 - \$37,000 – Program Administration – Project is still underway – Reprogrammed funds are not needed to complete project.

2003-2004 - \$61,000 – Neighborhood Initiatives – Project has been completed under budget.

3. GEOGRAPHIC DISTRIBUTION

The City of Lynchburg's Consolidated and Action Plans focus on the geographic area in which the greatest indicators of distress exist. These are the central city neighborhoods that surround the downtown business district and are the seven contiguous census tracts that comprise the Community Development Block Grant (CDBG) target area: Census Tracts 4, 5, 6, 7, 11, 12, and 13. Demographics and surveys of these neighborhoods show that they have the highest degree of housing need and are where most of the City's very low-and low-to-moderate-income persons reside.

4. HOMELESS AND SPECIAL NEEDS

During 2004 the Homeless and Housing Coalition (HHC) has focused on developing a more comprehensive plan to end chronic homelessness. The Homeless and Housing Coalition hosted an in-person HHC Orientation, which educated over 30 individuals about the Homeless and Housing Coalition's history, philosophy, goals and objectives. The HHC has progressed in producing additional outreach strategies and programs aimed at rural homelessness. This includes the formation of a Homelessness Work Team in Amherst County and a strengthened relationship between the HHC and Appomattox Department of Social Services.

The HHC has conducted a Point-in-Time survey of homeless individuals each year since 1997, as well as an inventory of homeless beds. Now service providers expect to conduct the count each year and reporting rates have improved annually. On January 21, 2004, the survey was conducted in conjunction with a statewide counting effort. One hundred fifty-six (156) individuals along with 25 families (including 34 children) for a total of 225 individuals were identified in the count. In 2003, the Survey Committee did not include identifying data for the chronically homeless on its survey. In 2004, this information was added to the survey and identified 27 chronically homeless individuals in Planning District 11.

The HHC believes that the percentage of chronically homeless has always been between 10 and 20 percent of the homeless population based on anecdotal information from emergency

shelter and Transitional Living (TL) program directors. Identifying the chronically homeless and their needs is regularly discussed at the bi-monthly Shelter/TL Director's meetings.

More detailed analysis of need and gaps in services to the homeless and for homeless prevention is contained in the Continuum of Care.

In addition, the HHC has focused on strengthening the provision of services to all homeless individuals and to creating permanent housing opportunities for those identified in the annual Point-in-Time survey. The City has received Shelter Plus Care funding for ten supportive housing units. Lynchburg Neighborhood Development Foundation (LNDF) has received a Housing and Urban Development (HUD) grant for the development of 11 units of permanent rental housing for disabled homeless persons and families. Miriam's House will provide supportive services for these units.

Virginia: Sharing a Common Wealth to End Homelessness is a comprehensive plan developed as part of a Policy Academy initiative supported by Virginia Governor Mark Warner. The plan, which is Virginia's Ten Year Plan, includes increasing housing units by 300 units annually, expanding use of mainstream resources, initiating rental assistance for homeless families and increasing state funding to shelters and transitional living programs. Furthermore, the plan places emphasis on the needs of the chronically homeless through the creation of new funding streams directed at increasing rental assistance and reducing barriers to mainstream resources.

In conjunction with the State's comprehensive plan, the HHC has developed a plan to end homelessness by 2012 and it represents the HHC's efforts at building congruence with the statewide plan while being specifically responsive to our local needs. The Continuum of Care provides the objectives and strategies for of this Plan.

5. PUBLIC AND ASSISTED HOUSING

a. Public Housing Needs

The Lynchburg Redevelopment and Housing Authority (LRHA) has been operating in the City for almost 50 years. LRHA operations address the housing needs of lower income residents of Lynchburg through the HUD Public Housing and Section 8 Rental Assistance Program. LRHA has developed and currently maintains 327 publicly-owned rental housing units in four different locations: Dearington, Birchwood, Langview, and Brookside. Three of these complexes are located outside of the target area in an effort to avoid adverse impact. All have been undergoing improvement through HUD's Capital Grant Program with upgrades of roofing, siding, heating and air conditioning systems and management improvements. LRHA maintains a virtual 100% occupancy for apartments. The current public housing waiting list numbers 48 households.

The housing needs assessment by the LRHA in its Five-Year Plan indicates that extremely low income families are in the greatest need of housing assistance and elderly households represent the largest category of household type.

LRHA hopes to address the housing needs of those not eligible for Public or Section 8 housing by working with other agencies of the City including the Department of Human Services and the Alliance for Families and Children. During the five-year period of this Plan, LRHA also plans to offer homeownership opportunities by utilizing Section 8 rental assistance payments to be used for the purchase of a home. LRHA is developing eligibility criteria for this program.

b. Publicly Assisted Housing

The Section 8 Housing Choice Voucher Program provides housing assistance resources to 891 families that live in privately-owned scattered site housing throughout the community. Normal utilization of vouchers is approximately 98 % per month. LRHA maintains a rental assistance waiting list of 222 households, which is almost five times larger than that for public housing, indicating the interest of applicants in seeking to reside in privately-owned rather than government-owned housing

In addition to tenant-based rent assistance offered through the Section 8 Voucher program, there are ten privately owned and managed federally-assisted, multi-family units in Lynchburg that provide project-based rental assistance to low-income persons, the elderly, and persons with disabilities. Despite these efforts to serve lower income residents, the waiting list for housing assistance continues to increase. Seventy-five percent of these families had incomes that did not exceed 30 percent of the area median income. Many of these families now occupy substandard housing or spend a large amount of their income to provide for their shelter needs. Many other families who have applied for housing assistance have been found to have problematic financial or behavioral histories, which would preclude them from participating in these programs.

One of the major providers of privately owned assisted housing is Lynchburg Covenant Fellowship (LCF), the oldest non-profit housing development corporation in the Commonwealth of Virginia. LCF has developed and maintains more than 400 units of assisted housing in Lynchburg. Most units were developed using the Low Income Housing Tax Credit. LCF manages multi-family rental properties for the low- and moderate-income, as well as providing some grants to improve single-family housing.

For those families that are on the waiting list at LRHA and other affordable housing opportunities offered through Lynchburg Neighborhood Development Foundation (LNDF) and Community Housing Partners Corporation (CHPC) their acquisition and renovation of buildings in the central city neighborhoods will provide more than 70 rental units for low to low-to-moderate income persons. Many of these renovated buildings were transferred to LRHA and CHPC, at little or no cost, by LRHA.

6. ANTI-POVERTY STRATEGY

The City is pleased that it has engaged in multiple approaches to meeting the needs of its low-income citizens. According to the 2000 census, there are more than 9,700 persons in Lynchburg who live in poverty. This fact prompts concern and action by the City's services departments and prompts its planning and community development staff to advocate for greater coordination among City departments for maximum effect in reducing the number and degree of poverty in our City.

Besides the many housing programs supported by the City, there are other activities designed to meet poverty at its cause, such as job-training and placement programs, early learning programs, and a variety of incentives to build the capacity of residents to increase income and, therefore, achieve levels of self sufficiency and stability. Specific programs for reducing poverty through increased education, income, and improved quality of life are:

- Head Start early learning program provided through LynCAG

- Federal and State social services grant programs connecting service providers with the Lynchburg City School System
- HUD Section 3 compliance in public and private development projects
- Lynchburg Dept. of Social Services adoption of the Virginia Welfare to Work program, Virginia Initiative for Employment Not Welfare (VIEW)
- Participation in the regional effort to educate, train, retrain, assist, and place persons in job opportunities through the Region 2000 Workforce Development Initiative. Through its Family Self-sufficiency program, LRHA refers residents to the Region 2000 Workforce Career Center to educate, train and employ families in need of the services the Workforce Center provides.

As a participant in the Homeless and Housing Coalition, the City adopts and endorses the 2005 Continuum of Care which identifies the resources and the needs for regional housing opportunities and service providers and, therefore, more fully articulates the City's anti-poverty strategy.

7. OTHER ACTIONS

The City will continue to cooperate with local non-profits, neighborhood groups, and others to address obstacles to meeting undeserved need, foster and maintain affordable housing, remove barriers to affordable housing, evaluate and reduce lead based paint hazards, develop institutional structure, enhance coordination between public and private housing and social service agencies, and foster public housing improvements and resident initiatives. Agencies and groups that coordinate this effort are the Lynchburg Neighborhood Development Foundation, Housing and Homeless Coalition, Neighborhood Services Resource Committee, Lynchburg Community Action Group, Lynchburg Redevelopment and Housing Authority, Lead Abatement Task Force, Code Enforcement Task Force, and the Lynchburg Department of Social Services.

8. MONITORING PROCEDURES

The Community Development Division of the Department of Community Planning and Development is responsible for monitoring programs that receive CDBG and HOME funds, according to HUD regulations. A subrecipient agreement is prepared for all agencies outside of the local government. This agreement contains the required HUD applicable statutory and regulatory requirements.

Monitoring of projects is done in several ways. First, subrecipients are reimbursed for expenses, rather than provided funds up-front. The City requires receipts, time sheets, and other relevant documentation with the reimbursement request. Also, subrecipients are required to submit quarterly performance reports, which are reviewed for consistency with the City's program and financial records. At least four subrecipients are visited on-site at least once per year by Community Development and Finance Services Department staff for the purpose of monitoring. At the on-site monitoring visits for the housing and acquisition projects a random selection of address files are reviewed for program compliance. For all other projects a visual inspection is made of the various accomplishments completed with program funds and a narrative submitted on the benefits for low and low-to-moderate income persons. There is a monitoring checklist that is completed and the time of the review and then summarized. The financial reviews include a selection of reimbursements from City and traced through receipt

and disbursement of funds. When all staff has completed their reviews the monitoring comments are compiled and a letter written to the agencies advising them of the results of the monitoring reviews and if any corrective action is needed. Technical assistance is provided as needed, or requested.

The City's CDBG and HOME funds are audited in conjunction with the City's annual audit.

City Council reviews on an annual basis the remaining project funds and determines if funds will be retrieved from agencies and reprogrammed to other projects.

B. HOME SUBMISSION REQUIREMENTS

1. Resale Provisions

The City disburses HOME funds for both owner-occupied projects and for rental projects. Funds are usually provided in the form of forgivable loans, directly and indirectly to the borrower. The City places a lien on the property in the amount of the HOME investment, recording a deed of trust and a deed of trust note in cases where investment is outside of the target market. In projects within the target market, the City holds a note for the period of recapture or forgiveness. Recapture of HOME is in accordance with program regulations. If the eligible buyer ceases to occupy the unit and does not transfer to an eligible purchaser under HOME guidelines (80% AMFI), recapture will occur for the remainder of the loan period. The recapture period can extend for the life of the primary loan, but is usually for a period determined by the amount of funds borrowed, from five to fifteen years.

2. Tenant-Based Rental Assistance

Previously assisted HOME projects were funded for existing or new homeowners. During the five-year period of this plan, the City of Lynchburg expects to utilize HOME funding for development of rental assistance projects. Tenant assistance is provided through the Shelter Plus Care Program.

3. Other Forms of Investment

The City of Lynchburg does not intend to use other forms of investment.

4. Affirmative Marketing

The City's affirmative marketing procedures are included as Appendix B.